

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

7811. HOUSE HEALTH EDUCATION & SOCIAL SERVICES

individual or employer contributions, and private or government grants.

Sec. 21.58.130. PROCUREMENT OR PROVISION OF INSURANCE. (a)

The corporation shall

(1) solicit proposals from insurance companies that are licensed to transact health insurance in the state under the procurement procedures adopted by the corporation under AS 36.30.015(e); and

(2) if the corporation does not act as an insurer as provided under (c) of this section, select one or more companies with which it will contract to provide insurance, after considering the cost of the insurance, the availability from the company of program features directed at reducing the cost of providing health care services, and other relevant factors as determined by the corporation.

(b) The corporation may contract for insurance coverage for enrollees for a term that it considers to be the most advantageous to the corporation and its enrollees, for a period not exceeding three years.

(c) If, after the proposal process under (a) of this section has been completed, the corporation determines that the desired coverage or benefits are not available from insurers licensed in this state or the corporation can provide the desired coverage and benefits at a lower cost per eligible person, the corporation may act as an insurer.

Sec. 21.58.140. ENROLLEES. (a) A person is eligible to be an enrollee in the state health insurance plan under this chapter in a given year if the person is a resident of the state and has complied with the procedures established by the corporation under (d) of this section. For purposes of enrollment, the corporation shall by regulation define residency in a manner that is consistent with AS 01.10.055 and with this chapter.

(b) A person who is eligible to be an enrollee shall be enrolled by the corporation in the state health insurance plan.

(c) The corporation shall cancel an enrollee's coverage if, during the fiscal year, the enrollee becomes ineligible to be an enrollee.

(d) The corporation shall establish by regulation appropriate procedures for processing applications for enrollment, for determining the eligibility of enrollees, for enrolling enrollees, for determining and collecting the applicable fees, for canceling an enrollee's coverage, and for processing appeals by enrollees of adverse decisions

by the corporation regarding eligibility, enrollment, determination or collection of applicable fees, or cancellation of coverage.

Sec. 21.58.150. DISCRIMINATION AGAINST ENROLLEES PROHIBITED.

A health care provider may not discriminate against an enrollee with respect to the availability, cost, or quality of health care services wholly or in part on the basis of the person's status as an enrollee.

Sec. 21.58.160. CONFIDENTIALITY OF ENROLLEE INFORMATION.

Medical and financial information regarding applicants or current or former enrollees is confidential and is not subject to public disclosure. The corporation by regulation may establish reasonable standards for the release of limited information in specified circumstances, including the release of reasonably necessary information to insurance companies and the release of information with the written authorization of the applicant or enrollee.

Sec. 21.58.170. HEALTH INSURANCE PLAN. (a) The corporation shall adopt regulations specifying the health care services required to be covered by the state health insurance plan, taking into consideration the services requested by the public, the needs and characteristics unique to state residents, the goal of prevention of illness and promotion of wellness, the cost of providing the benefits package, the cost of providing or procuring the insurance coverage, and the funds available in the state health insurance fund.

(b) The corporation shall conduct a comprehensive public involvement process designed to solicit information and opinions regarding the services required to be covered under (a) of this section.

Sec. 21.58.180. DEDUCTIBLES AND COPAYMENTS. Subject to AS 21.58.170, the corporation shall establish the deductible and copayment amounts applicable under the state health insurance plan.

Sec. 21.58.190. PREMIUMS. A premium may be charged to an enrollee for coverage as established by the corporation by regulation. In establishing a premium, the corporation shall establish a standard fee and a sliding scale fee and shall consider the cost of coverage, funding available, and other factors the corporation determines are relevant.

Sec. 21.58.200. PROHIBITED DISCRIMINATION BETWEEN HEALTH

CARE PROVIDERS. The corporation may not discriminate between health care providers who are licensed to perform a covered health care service unless the type of health care service provided is not included under the state health insurance plan.

Sec. 21.58.210. SOLICITATION OF ELIGIBLE PERSONS. (a) The corporation, under a plan approved by the director, shall disseminate appropriate information to the residents of the state regarding the existence of the state health insurance plan and the means of enrollment.

(b) The corporation shall devise and implement a means of maintaining public awareness of the provisions of this chapter regarding the state health insurance plan and shall administer this chapter in a manner that facilitates public participation in the state health insurance plan.

Sec. 21.58.220. CLAIMS CLEARINGHOUSE. (a) The corporation shall establish a claims clearinghouse in the state. A provider of health care services shall submit all claims for payment under the state health insurance plan to the claims clearinghouse. The corporation may, by regulation, require providers to submit specified additional information pertaining to providing health care services in the state to the claims clearinghouse.

(b) Subject to appropriation, the claims clearinghouse shall pay claims approved for payment by the corporation under the state health insurance plan.

(c) The claims clearinghouse shall comply with the provisions of AS 21.54.025, except that the claims grievance procedure required by AS 21.54.025(a)(2) shall be submitted to the board of directors of the corporation for approval.

(d) The claims clearinghouse may deny a claim only for a reason that has been specified as an acceptable reason by the corporation under AS 21.58.110(9).

Sec. 21.58.230. REQUIRED AVAILABILITY OF PRICE LIST. (a) A health care provider shall prepare a list of the provider's prices that includes the dates during which the prices will be applicable. The price list shall be made available either by posting the price list in a conspicuous location in the health care provider's office or by similarly posting a notice that the price list is available for review upon request. The corporation shall determine by regulation the contents of the price list required under this section.

(b) At least annually, a health care provider shall submit to the corporation copies of the provider's current price list. The corporation shall specify by regulation the date for submitting the price lists.

Sec. 21.58.240. INFORMATION ON PRICES FOR HEALTH CARE SERVICES. The corporation shall at least annually publish a description of types of health care providers licensed to provide covered services and a comparative list of provider prices. The corporation shall make the publications available to the public upon request.

Sec. 21.58.250. COMPARATIVE LISTS OF PRICES. (a) At least annually, the corporation shall compile comparative lists of prices for commonly provided health care services based on abstracted data provided by the claims clearinghouse under AS 21.58.220, on the price lists submitted to the corporation under AS 21.58.230, and on other relevant information as determined by the corporation.

(b) The lists required under this section shall be prepared to allow identification and comparison of prices made by individual providers for the listed services. Hospital services may be compared on the basis of diagnosis related groups.

Sec. 21.58.260. HEALTH CARE DATA SYSTEM. (a) The corporation shall develop and periodically update a health care data system. To the extent practicable, the data system base year shall be calendar year 1993 and the system must include

(1) health care expenditures, including capital expenditures associated with receiving health care;

(2) demographic data;

(3) clinical information, including patient diagnosis, type of provider, type of service, location and length of care, referral patterns, quality of care, and result of care;

(4) billing and payment data; and

(5) public health data, including vital statistics and health status.

(b) The corporation may, by regulation, require health care providers, including providers not being reimbursed by the corporation, to submit claims data and additional information necessary to develop or update the data system required under (a) of this section.

Sec. 21.58.270. STATEWIDE HEALTH CARE EXPENDITURE TARGET.

(a) The corporation shall prescribe by regulation a statewide health care expenditure target, based on the data obtained under AS 21.58.260. To the extent practicable, the base year for the statewide health care expenditure target shall be calendar year 1993.

(b) The corporation annually shall adjust the health care expenditure target established under this section to reflect changes in the Consumer Price Index and the following factors:

- (1) changes in the economic and demographic characteristics of the state's population including aging;
- (2) changes in medical technology;
- (3) changes that improve access to health care services;
- (4) changes in the burden of disease resulting from epidemics, disasters, and reduction or elimination of disease;
- (5) elimination of unnecessary care;
- (6) changes in costs associated with professional liability insurance;
- (7) changes in administrative costs;
- (8) changes in patterns of utilization.

Sec. 21.58.280. VOLUNTARY HEALTH CARE PROVIDER COMPLIANCE. The health care expenditure target adopted by the corporation under AS 21.58.270 shall constitute a recommended target for expenditures within each specified category or subcategory of health care services or products. Health care providers may voluntarily comply with the expenditure target and may take all appropriate steps not prohibited by law to attempt to ensure that annual expenditures for health care in the state do not exceed the expenditure target adopted by the corporation.

Sec. 21.58.290. REVIEW AND REPORT ON HEALTH CARE EXPENDITURES. The corporation shall annually review and report to the legislature and the governor on

- (1) the total amount of health care expenditures in the state;
- (2) the amount of increase or decrease in health care and capital medical expenditures in the state;
- (3) changes in health care provider prices;
- (4) changes in patterns of utilization or expenditures; and

(5) factors that are responsible for changes in patterns of utilization or expenditures.

Sec. 21.58.300. MANDATORY HEALTH CARE PROVIDER COMPLIANCE. (a) Based on the data compiled under AS 21.58.260, the corporation shall monitor the success of voluntary compliance under AS 21.58.280. At any time beginning three years after the voluntary expenditure target has been in effect, if the corporation concludes that voluntary compliance has failed substantially to achieve the adopted expenditure target, the corporation shall impose by regulation a mandatory expenditure limit as provided under (b) of this section.

(b) The corporation may, by regulation,

(1) impose a mandatory expenditure limit on one or more subcategories or on specific items within the expenditure limit;

(2) directly assume all or part of the cost control functions specified under AS 21.58.110(11);

(3) establish mandatory price and utilization controls or guidelines;

(4) annually monitor health care expenditures, patterns of utilization, and factors contributing to changes in expenditures or utilization;

(5) establish cost sharing recommendations relevant to the mandatory expenditure limit.

(c) A health care provider shall comply with the mandatory cost control provisions that may be established by the corporation under (a) and (b) of this section. An enrollee who receives a charge that does not comply with the mandatory cost control provisions that are imposed under this section is not required to pay the portion of the charge that exceeds the mandatory cost control provisions. A health care provider shall refund an amount received that exceeds the mandatory cost control provisions.

(d) The corporation shall establish by regulation procedures for monitoring compliance with the mandatory cost control provisions and for providing notice to a person who is determined to have been overcharged.

Sec. 21.58.310. PUBLIC HEALTH IMPROVEMENT PLAN. (a) The corporation shall develop and annually update a public health improvement plan for the state. The plan required under this section must recognize the need for

- (1) community involvement in health care planning and delivery;
- (2) attention to local needs that may vary from place to place;
- (3) accountability for the use of public funds;
- (4) equity and stability in the distribution of public funds;
- (5) shared responsibility of all levels of government for administering and financing public health care delivery; and
- (6) coordination of basic public health services.

(b) The plan required under this section must include

- (1) an analysis of the health status of the residents of the state;
- (2) an assessment of the most appropriate role for various levels of government to play in addressing the health care needs of the residents of the state;
- (3) a delineation of the standards that should be used in performing assessment, policy development, and quality assurance in the delivery of public health services;
- (4) documentation of the extent to which the current public health system implements or achieves the standards identified under (3) of this subsection;
- (5) identification of interjurisdictional issues involved in health care access and delivery;
- (6) recommendations, including recommendations for specific legislative action when necessary, pertaining to the following:
 - (A) strategies, time lines, financial needs, and specific sources of stable revenue for bringing the state public health care system up to standards identified by the corporation;
 - (B) appropriate sharing of the responsibility of local, regional, state, and federal government entities to deliver public health care services efficiently and effectively, including recommendations for organization within state government;
 - (C) integration of the public health care system with state and national health care reform efforts;
 - (D) the corporation's estimate of the optimal share that public health should represent in the total health care delivery system of the state, expressed in terms of a percentage of health care expenditures in the state.

Sec. 21.58.320. **REQUIRED PUBLIC INVOLVEMENT PROCESS.** The corporation shall design, implement, and maintain an extensive community based public involvement process for the purpose of providing residents with an ongoing opportunity to participate in decisions made by the corporation's board of directors regarding

- (1) health care services residents want included in the benefit package;
- (2) financing options;
- (3) revenue sources that should be used to finance the health plan;
- (4) cost-sharing options; and
- (5) administration of the health care plan.

Sec. 21.58.330. **PEER REVIEW OF UTILIZATION AND QUALITY.** The corporation shall contract with health care providers in the state to develop utilization and quality controls. The contract must include the use of peer specialty groups that are given the goal of controlling utilization within a specialty. The corporation shall ensure that the contract stresses the development of the use of incentives to control costs.

Sec. 21.58.400. **DEFINITIONS.** In this chapter,

- (1) "clearinghouse" means the claims clearinghouse designated by the corporation under AS 21.58.220;
- (2) "Consumer Price Index" means the Consumer Price Index for Anchorage, All Items Index, compiled by the Bureau of Labor Statistics, United States Department of Labor;
- (3) "corporation" means the Alaska Health Insurance Corporation established in AS 21.58.010;
- (4) "enrollee" means a person whose application for coverage under the state health insurance plan has been accepted by the corporation, who has completed applicable enrollment procedures, who is covered by insurance under the program;
- (5) "health care provider" means an acupuncturist licensed under AS 08.06; an audiologist licensed under AS 08.11; a chiropractor licensed under AS 08.20; a dental hygienist licensed under AS 08.32; a dentist licensed under AS 08.36; a marital or family therapist licensed under AS 08.63; a direct-entry

midwife certified under AS 08.65; a nurse licensed under AS 08.68; a dispensing optician licensed under AS 08.71; a naturopath licensed under AS 08.45; an optometrist licensed under AS 08.72; a pharmacist licensed under AS 08.80; a physical therapist or occupational therapist licensed under AS 08.84; or a physician's assistant certified under AS 08.64; a physician licensed under AS 08.64; a podiatrist; a psychologist and a psychological associate licensed under AS 08.86; a clinical social worker licensed under AS 08.95; an emergency medical technician certified under AS 18.08.082; a mobile intensive care paramedic trained as required under AS 18.08.082; a hospital as defined in AS 18.20.130, including a governmentally owned or operated hospital; and an employee of a health care provider acting within the course and scope of employment;

(6) "health care services" means preventive, diagnostic, medical, surgical, reproductive, psychiatric, psychologic, rehabilitative, health maintenance, dental, podiatric, optometric, optical, audiologic, nutritive, and chiropractic care; prescription drugs, laboratory and radiologic services, medical supplies, durable medical equipment and devices; personal assistance services; inpatient and outpatient care; home health care; hospice care; and long-term or institutional care;

(7) "health insurance" means an individual or group contract or other plan providing coverage of health care services that is issued by the corporation or by a health insurance company, a hospital service corporation, a medical service corporation, or a health maintenance organization; "health insurance" includes disability insurance under AS 21.12.050;

(8) "health insurance company" means an insurer that is authorized to transact health insurance;

(9) "market based single payer system" means a system in which a single entity provides health insurance to all residents of the state and the insurance is based on market forces, including provider defined fees, defined patient copayments, sliding scale copayments for the indigent, provider fees that are posted or made otherwise available at the point of services, published or disseminated fees in comparative lists that allow fee comparison by consumers, voluntary expenditure targets, provider peer review and control of volume, utilization, and quality of health services, and a regularly published description of the various types of providers

licensed to provide services in the benefit package;

(10) "state health insurance fund" is the fund established in AS 21.58.120.

* Sec. 7. AS 24.20.206 is amended to read:

Sec. 24.20.206. DUTIES. The Legislative Budget and Audit Committee shall

(1) report to the legislature its recommendations relating to the confirmation of appointees to the Board of Trustees of the Alaska Permanent Fund Corporation;

(2) annually review the long-range operating plans of all agencies of the state which perform lending or investment functions;

(3) review periodic reports from all agencies of the state which perform lending or investment functions;

(4) present a complete report of investment programs, plans, performance, and policies of all agencies of the state which perform lending or investment functions to the legislature within 30 days after the convening of each regular session;

(5) present to the legislature within 30 days after the convening of each regular session a review of the report of the governor under AS 37.07.020(d) with recommendations for needed legislation;

(6) in conjunction with the finance committee of each house recommend annually to the legislature the investment policy for the general fund surplus and for the income from the permanent fund;

(7) provide for an annual post audit and annual operational and performance evaluation of the Alaska Permanent Fund Corporation investments and investment programs;

(8) provide for an annual operational and performance evaluation of the Alaska Housing Finance Corporation and the Alaska Industrial Development and Export Authority; the performance evaluation shall include, but is not limited to, a comparison of the effect on various sectors of the economy by public and private lending, the effect on resident and nonresident employment, the effect on real wages, and the effect on state and local operating and capital budgets of the programs of the Alaska Housing Finance Corporation and the Alaska Industrial Development and

Export Authority;

(9) provide assistance to the trustees of the trust established in AS 37.14.400 - 37.14.450 in carrying out their duties under AS 37.14.415;

(10) provide for an annual post audit and annual operational and performance evaluation of the Alaska Health Insurance Corporation.

* Sec. 8. AS 36.30.015(e) is amended to read:

(e) The board of directors of the Alaska Railroad Corporation, [AND] the board of directors of the Alaska Aerospace Development Corporation, **and the board of directors of the Alaska Health Insurance Corporation** shall adopt procedures to govern the procurement of supplies, services, professional services, and construction. The procedures must be substantially equivalent to the procedures prescribed in this chapter and in regulations adopted under this chapter.

* Sec. 9. AS 37.07.030 is amended to read:

Sec. 37.07.030. RESPONSIBILITIES OF THE LEGISLATURE. The legislature shall

(1) provide for a budget review function;

(2) analyze the comprehensive operating and capital improvements programs and financial plans recommended by the governor;

(3) adopt legislation to authorize implementation of the governor's comprehensive operating and capital improvements programs and financial plans or appropriate alternatives to those plans;

(4) provide for a post-audit function to cover financial transactions, program accomplishment, and compliance with legislative intent;

(5) adopt or revise the estimate of receipts required to balance the succeeding fiscal year's budget in order that proposed expenditures do not exceed estimated receipts for that fiscal year;

(6) adopt, revise, or initiate revenue measures in order to balance the succeeding fiscal year's budget and the capital improvements section of the budget for the succeeding six years;

(7) appropriate funds for the operation of the Alaska Health Insurance Corporation.

* Sec. 10. AS 39.25.110 is amended by adding a new paragraph to read:

(30) the executive director of the Alaska Health Insurance Corporation.

* **Sec. 11.** AS 44.62.330(a) is amended by adding a new paragraph to read:

(59) Alaska Health Insurance Corporation.

* **Sec. 12.** PHASED TRANSITION PERIOD. Notwithstanding the provisions of AS 21.58, the Alaska Health Insurance Corporation shall implement the provisions of AS 21.58 on an orderly and gradual basis as follows:

(1) by December 31, 1994, the corporation shall begin to implement the public involvement process required under AS 21.58.320, establish the data system required under AS 21.58.260 and begin collecting data, begin the first public health improvement plan required under AS 21.58.310, determine the federal waivers necessary to implement AS 21.58, and begin to develop incentives to attract health care providers required under AS 21.58.110(16);

(2) by June 31, 1995, the corporation shall complete the uniform claims form required under AS 21.58.110(4);

(3) by December 31, 1995, the corporation shall establish the claims clearinghouse required under AS 21.58.220, determine the health care services required under AS 21.58.170, begin monitoring health care expenditures and utilization patterns, and begin collecting fee information required under AS 21.58.230;

(4) by January 1, 1996, the corporation shall implement the peer review system for utilization and quality required under AS 21.58.330 and shall adopt regulations that establish eligibility criteria for enrollment in the state health insurance plan, including a definition of the term "resident" that is consistent with AS 01.10.055 and the purposes of this Act;

(5) by December 31, 1996, the corporation shall establish the voluntary cost control system required under AS 21.58.280;

(6) by January 1, 1997, the corporation shall develop a long-term health care plan required under AS 21.58.110(19), and establish the deductible and copayment amounts required under AS 21.58.180 and present options to the governor and the legislature on how to finance a state health insurance plan under a market based single payer system; in considering options on financing a state health insurance plan the corporation shall strive to structure the options in a manner that provides protection for benefits provided to retired employees through public or private retirement systems;

(7) by January 1, 1998, the corporation shall establish the statewide health care expenditure target required under AS 21.58.270, and, subject to appropriation, begin to provide health insurance coverage for state residents as required under AS 21.58.

* Sec. 13. Notwithstanding AS 21.58.270(b), enacted in sec. 6 of this Act, the corporation shall increase the health care expenditure target by the following percentages of the target established under AS 21.58.270:

- (1) in 1998, 1.5 percent;
- (2) in 1999, 1.0 percent; and
- (3) in 2000, 0.5 percent.

* Sec. 14. This Act takes effect July 1, 1994."

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Amendment to CSHB 414(HES), 3/22/94 draft:

Page 20, line 21

Insert: "the uniform claim form described by" after the word "Implement"

LTH1100-R01
04/07/94

LEGISLATIVE TELECONFERENCE NETWORK

PAGE 01
15:50:57

TCN: 40533 DATE & TIME: 05/21/94 15:00 TO 17:00 STATUSES: STAT3, IN

*** ORDER SUMMARY ***

SPONSOR: HHS HOUSE HEAR. ON EDUCATION AND SOCIAL SERV. CHAIRS: TOOMEY
PURPOSE: PUB PUBLIC HEARING LEGISLATIVE BUNDS
CONTACT: LYNNE SMITH TEL#: 19073465-3825
CHAIRING SITE: JAMES CAPITAL CBF10

PROMOTED REPRESENTATIVE: TESTIMONY BY SEN. JAMES
LINDA WALKER
OFFICE OF SEN. JAMES WALKER AND STAFF 1100 CAPITOL

*** AGENDA ***

1. DR. JIM GIBBONS: POLITICAL SCIENCE

*** PARTICIPATING LINES ***

APC ANCHORAGE 190 9 400 3200 LOCATION STAFF
SAR CARSON 190 9 400 3200 LOCATION STAFF
FRX CALIFORNIA 190 9 400 3200 LOCATION STAFF
* JIM JAMESON CAPITAL CBF103 LOCATION STAFF

*** VOICEMAIL & DEFERRED VOTE ***

7/11/94 11:00 AM STOP DR. DON LEMMON (907) 777-3554

PARTICIPATING REPRESENTATIVE

LINE	NAME	PHONE	LOCATION	STATUS
1	APC ANCHORAGE	190 9 400 3200	CAPITAL	STAFF
2	SAR CARSON	190 9 400 3200	CAPITAL	STAFF
3	FRX CALIFORNIA	190 9 400 3200	CAPITAL	STAFF
4	JIM JAMESON	190 9 400 3200	CAPITAL	STAFF

PARTICIPATING REPRESENTATIVE

LINE	NAME	PHONE	LOCATION	STATUS
1	APC ANCHORAGE	190 9 400 3200	CAPITAL	STAFF
2	SAR CARSON	190 9 400 3200	CAPITAL	STAFF
3	FRX CALIFORNIA	190 9 400 3200	CAPITAL	STAFF
4	JIM JAMESON	190 9 400 3200	CAPITAL	STAFF
5	DAVID	190 9 400 3200	CAPITAL	STAFF
6	DAVID	190 9 400 3200	CAPITAL	STAFF
7	FLORIAN	190 9 400 3200	CAPITAL	STAFF
8	NICHOLAS	190 9 400 3200	CAPITAL	STAFF
9	ROBERT	190 9 400 3200	CAPITAL	STAFF
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17	10	OBSERVE	OBSV. ALL ITEMS

LEGISLATIVE TELECONFERENCE RECORD
 DATE & TIME: 03/21/74 12:00 TO 17:00 STATUS: 1 START: 10
 10N #0582

PARTICIPANTS IN BUREAU

PARTICIPANTS IN BUREAU		JRU	
18	10	OBSERVE	OBSV. ALL ITEMS
19	10	OBSERVE	OBSV. ALL ITEMS
20	10	OBSERVE	OBSV. ALL ITEMS
21	10	OBSERVE	OBSV. ALL ITEMS
22	10	OBSERVE	OBSV. ALL ITEMS
23	10	OBSERVE	OBSV. ALL ITEMS
24	10	OBSERVE	OBSV. ALL ITEMS
25	10	OBSERVE	OBSV. ALL ITEMS
26	10	OBSERVE	OBSV. ALL ITEMS
27	10	OBSERVE	OBSV. ALL ITEMS
28	10	OBSERVE	OBSV. ALL ITEMS
29	10	OBSERVE	OBSV. ALL ITEMS
30	10	OBSERVE	OBSV. ALL ITEMS
31	10	OBSERVE	OBSV. ALL ITEMS
32	10	OBSERVE	OBSV. ALL ITEMS
33	10	OBSERVE	OBSV. ALL ITEMS

PARTICIPANTS IN OFFICE

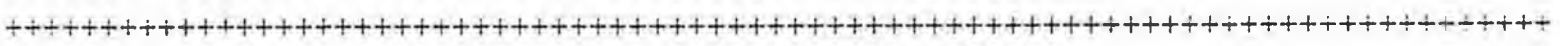
PARTICIPANTS IN OFFICE		OFFICE	
34	10	OBSERVE	OBSV. ALL ITEMS

H/HESS ROLL CALL FORM

BILL CSHB414 DATE 3/21/94
 TAPE 94-57 NUMBER 304
 SUBJECT OF VOTE TO AMEND AMENDMENT 17 TO DELETE
"INCLUDING" AND INSERT "MAY INCLUDE"

MEMBER	YEA	NAY	ABS
Rep. Cynthia Toohy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Con Bunde	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Gary Davis	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Al Vezey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Pete Kott	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Harley Olberg	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Bettye Davis	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Irene Nicholia	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Tom Brice	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
TOTAL	<u>5</u>	<u>4</u>	<u> </u>

"may"



BILL CSHB414 DATE 3/21/94
 TAPE 94-57 NUMBER 304
 SUBJECT OF VOTE TO ADOPT AMENDMENT 17 AS
AMENDED

amendment 17

MEMBER	YEA	NAY	ABS
Rep. Con Bunde	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Gary Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Al Vezey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Pete Kott	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Harley Olberg	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Bettye Davis	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Irene Nicholia	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Tom Brice	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Cynthia Toohy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTAL	<u>6</u>	<u>3</u>	<u> </u>

BILL CSHB 414

DATE 3/21/94

TAPE 94-556

NUMBER 188

SUBJECT OF VOTE AMENDMENT TO AMENDMENT 20

Amendment to the amend. 19

MEMBER	YEA	NAY	ABS
Rep. Gary Davis	—	✓	—
Rep. Al Vezey	—	✓	—
Rep. Pete Kott	✓	—	—
Rep. Harley Olberg	—	✓	—
Rep. Bettye Davis	—	✓	—
Rep. Irene Nicholia	—	✓	—
Rep. Tom Brice	✓	—	—
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
TOTAL	<u>2</u>	<u>7</u>	—

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BILL CSHB 414

DATE 3/21/94

TAPE 94-556

NUMBER 261

SUBJECT OF VOTE TO ADOPT AMENDMENT 20 *amend. 20*

MEMBER	YEA	NAY	ABS
Rep. Al Vezey	—	✓	—
Rep. Pete Kott	—	✓	—
Rep. Harley Olberg	—	✓	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	✓	—	—
Rep. Tom Brice	✓	—	—
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	—	✓	—
TOTAL	<u>3</u>	<u>6</u>	—

BILL CSHB 414

DATE 3/21/14

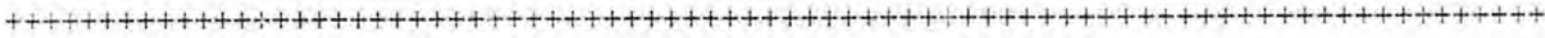
TAPE 94-558

NUMBER 405

SUBJECT OF VOTE TO ADOPT AMENDMENT 23

Amend 23

MEMBER	YEA	NAY	ABS
Rep. Pete Kott	—	✓	—
Rep. Harley Olberg	—	✓	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	✓	—	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	—	✓	—
Rep. Al Vezey	—	✓	—
TOTAL	<u>2</u>	<u>6</u>	—



BILL _____

DATE _____

TAPE 94- _____

NUMBER _____

SUBJECT OF VOTE _____

MEMBER	YEA	NAY	ABS
Rep. Harley Olberg	—	—	—
Rep. Bettye Davis	—	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	—	—	—
Rep. Con Bunde	—	—	—
Rep. Gary Davis	—	—	—
Rep. Al Vezey	—	—	—
Rep. Pete Kott	—	—	—
TOTAL	—	—	—



Alaska State Legislature

House of Representatives
 COMMITTEE ON HEALTH, EDUCATION
 AND SOCIAL SERVICES

SUBJECT OF MEETING:
 HB 414: COMPREHENSIVE HEALTH CARE

DATE: 3/21/94

PLACE: Capitol Room 106

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Gene Dawson	AARP	674 21995 Inn	99801	586 3816		Y (N)	414
Yona Lakh	AARP	3590 Glacier Ln	99801	780 4089		Y (N)	414
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

8-GH2024\E ✓
Ford
3/14/94

CS FOR HOUSE BILL NO. 414(HES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:
Referred:

Sponsor(s): **HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

A BILL

FOR AN ACT ENTITLED

1 "An Act creating the Alaska Health Commission; relating to the delivery, quality,
2 access, and financing of health care; relating to review and approval of rates and
3 charges of health insurers; relating to certain civil actions against health care
4 providers and health insurers; amending Alaska Rules of Civil Procedure 26 and
5 27 and Alaska Rules of Evidence 802, 803, and 804; repealing Alaska Rule of
6 Civil Procedure 72.1; and providing for an effective date."

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 * Section 1. FINDINGS AND INTENT. (a) The legislature finds that the access to
9 quality and affordable health care and maintenance of the public's health are vital to the public
10 interest. The legislature further finds that health care costs have grown at a rate far in excess
11 of the overall inflation rate in the economy due to several factors, including variations in
12 treatment practices of providers, cost shifting by health care providers, administrative costs
13 of insurance claims practices, unavailability of affordable insurance, costs of increasing claims

1 and liability for medical malpractice, and lack of coordination of population based public
2 health services. The legislature therefore finds a present need for long-term reform of the
3 health care system in the state.

4 (b) It is the intent of the legislature to promote access to affordable, quality health
5 care for Alaskans by establishing a mechanism for the review of health insurance rate filings,
6 the implementation of health care reform measures, the stabilization of health care service
7 costs, the collection and analysis of information and data concerning health care services, and
8 the making of recommendations based on that data to the governor and the legislature.

9 * Sec. 2. AS 08.64.326 is amended to read:

10 Sec. 08.64.326. GROUNDS FOR IMPOSITION OF DISCIPLINARY
11 SANCTIONS. (a) The board may impose a sanction if the board finds after a hearing
12 that a licensee

13 (1) secured a license through deceit, fraud, or intentional
14 misrepresentation;

15 (2) engaged in deceit, fraud, or intentional misrepresentation while
16 providing professional services or engaging in professional activities;

17 (3) advertised professional services in a false or misleading manner;

18 (4) has been convicted, including conviction based on a guilty plea or
19 plea of nolo contendere, of

20 (A) a felony or other crime if the felony or other crime is
21 substantially related to the qualifications, functions, or duties of the licensee;
22 or

23 (B) a crime involving the unlawful procurement, sale,
24 prescription, or dispensing of drugs;

25 (5) has procured, sold, prescribed, or dispensed drugs in violation of
26 a law, regardless of whether there has been a criminal action;

27 (6) intentionally or negligently permitted the performance of patient
28 care by persons under the licensee's supervision that does not conform to minimum
29 professional standards even if the patient was not injured;

30 (7) failed to comply with this chapter, a regulation adopted under this
31 chapter, or an order of the board;

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(8) has demonstrated

(A) professional incompetence, gross negligence, or repeated negligent conduct; the board may not base a finding of professional incompetence solely on the basis that a licensee's practice is unconventional or experimental in the absence of demonstrable physical harm to a patient;

(B) addiction to, severe dependency on, or habitual overuse of alcohol or other drugs that impairs the licensee's ability to practice safely;

(C) unfitness because of physical or mental disability;

(9) engaged in unprofessional conduct or in lewd or immoral conduct in connection with the delivery of professional services to patients;

(10) has violated AS 18.16.010;

(11) has violated any code of ethics adopted by regulation by the board;

or

(12) [HAS DENIED CARE OR TREATMENT TO A PATIENT OR PERSON SEEKING ASSISTANCE FROM THE PHYSICIAN IF THE ONLY REASON FOR THE DENIAL IS THE FAILURE OR REFUSAL OF THE PATIENT TO AGREE TO ARBITRATE AS PROVIDED IN AS 09.55.535(a); OR

(13)] has had a license or certificate to practice medicine in another state or territory of the United States, or a province or territory of Canada suspended or revoked unless the suspension or revocation was caused by the failure of the licensee to pay fees to that state, territory, or province.

(b) In a case involving (a)(12) [(a)(13)] of this section, the final findings of fact, conclusions of law, and order of the authority that suspended or revoked a license or certificate constitutes a prima facie case that the license or certificate was suspended or revoked and the grounds under which the suspension or revocation was granted.

* Sec. 3. AS 08.68.270 is amended to read:

Sec. 08.68.270. GROUND~~S~~ FOR DENIAL, SUSPENSION, OR REVOCATION. The board may deny, suspend, or revoke the license of a person who

(1) has obtained or attempted to obtain a license to practice nursing by fraud or deceit;

(2) has been convicted of a felony or other crime if the felony or other

1 crime is substantially related to the qualifications, functions or duties of the licensee;

2 (3) habitually abuses alcoholic beverages, or illegally uses controlled
3 substances;

4 (4) has impersonated a registered or practical nurse;

5 (5) has intentionally or negligently engaged in conduct that has resulted
6 in a significant risk to the health or safety of a client or in injury to a client;

7 (6) practices or attempts to practice nursing while afflicted with
8 physical or mental illness, deterioration, or disability that interferes with the
9 individual's performance of nursing functions;

10 (7) is guilty of unprofessional conduct as defined by regulations
11 adopted by the board;

12 (8) has wilfully or repeatedly violated a provision of this chapter or
13 regulations adopted under it;

14 (9) is professionally incompetent [;

15 (10) DENIES CARE OR TREATMENT TO A PATIENT OR PERSON
16 SEEKING ASSISTANCE IF THE SOLE REASON FOR THE DENIAL IS THE
17 FAILURE OR REFUSAL OF THE PATIENT OR PERSON SEEKING ASSISTANCE
18 TO AGREE TO ARBITRATE AS PROVIDED IN AS 09.55.535(a)].

19 * Sec. 4. AS 09.55.535 is repealed and reenacted to read:

20 Sec. 09.55.535. MANDATORY ARBITRATION. (a) A person who files an
21 action for damages against a health care provider resulting from medical malpractice
22 shall also submit the claim to the court for arbitration.

23 (b) When a claim is submitted as required by (a) of this section, the court shall
24 appoint an arbitrator to review the claim. The arbitrator appointed to review the claim
25 shall interview the parties and examine all records or materials relating to the claim
26 and may compel the attendance of witnesses, interview the parties, or consult with
27 medical specialists.

28 (c) An arbitrator appointed under this section shall conduct a prehearing
29 settlement conference within 30 days after the appointment. The arbitrator shall
30 establish a period for discovery and a date for a hearing. The hearing date may not
31 be more than 120 days after the settlement conference.

1 (d) An arbitrator shall render a decision within 30 days after hearing a claim
2 under (c) of this section. The decision must contain findings of fact and conclusions
3 of law. The decision of the arbitrator may be rejected by a party.

4 (e) If the decision of the arbitrator is rejected by a party, the action may
5 proceed in the appropriate court. The arbitrator's decision is admissible evidence in
6 that action and may be used by a party to support or oppose a claim of damages.

7 (f) The provisions of AS 09.43.010 - 09.43.180 (Uniform Arbitration Act)
8 apply to an arbitration under this section to the extent the provisions do not conflict
9 with the provisions of this section.

10 * Sec. 5. AS 09.55.536 is amended to read:

11 Sec. 09.55.536. EXPERT ADVISOR [ADVISORY PANEL]. (a) In an action
12 for damages due to personal injury or death based upon the provision of professional
13 services by a health care provider [WHEN THE PARTIES HAVE NOT AGREED TO
14 ARBITRATION OF THE CLAIM UNDER AS 09.55.535,] the court shall appoint
15 within 20 days after filing of answer to a summons and complaint an [A THREE-
16 PERSON] expert medical advisor [EXPERT ADVISORY PANEL] unless the court
17 decides that an expert advisory opinion is not necessary for a decision in the case.
18 When the action is filed the court shall, by order, determine the professions or
19 specialties to be represented by [ON] the medical expert [ADVISORY PANEL],
20 giving the parties the opportunity to object or make suggestions.

21 (b) The expert advisor [ADVISORY PANEL] may compel the attendance of
22 witnesses, interview the parties, physically examine the injured person if alive, consult
23 with the specialists or learned works the advisor considers [THEY CONSIDER]
24 appropriate, and compel the production of and examine all relevant hospital, medical,
25 or other records or materials relating to the health care in issue. The advisor
26 [PANEL] may meet in camera, but shall maintain a record of any testimony or oral
27 statements of witnesses, and shall keep copies of all written statements received [IT
28 RECEIVES].

29 (c) Not more than 30 days after selection of the advisor, the advisor [PANEL,
30 IT] shall make a written report to the parties and to the court, answering the following
31 questions and other questions submitted to the advisor [PANEL] by the court:

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- (1) What was the disorder for which the plaintiff came to medical care?
- (2) What would have been the probable outcome without medical care?
- (3) Was the treatment selected appropriate for the case?
- (4) Did an injury arise from the medical care?
- (5) What is the nature and extent of the medical injury?
- (6) What specifically caused the medical injury?
- (7) Was the medical injury caused by unskillful care?
- (8) If a medical injury had not occurred, how would the plaintiff's condition differ from the plaintiff's present condition?

(d) In any case in which the answer to one or more of the questions submitted to the advisor [PANEL] depends upon the resolution of factual questions that [WHICH] are not the proper subject of expert opinion, the report shall so state and may answer questions based upon hypothetical facts that are fully set out in the opinion. The report must [SHALL] include copies of all written statements, opinions, or records relied upon by the advisor [PANEL] and either a transcription or other record of any oral statements or opinions; must [SHALL] specify any medical or scientific authority relied upon by the advisor [PANEL]; and must [SHALL] include the results of any physical or mental examination performed on the plaintiff. The advisor [EACH MEMBER] shall sign the report and the signature constitutes the advisor's [MEMBER'S] adoption of all statements and opinions contained in it. An advisor [; HOWEVER, A MEMBER MAY, INSTEAD OF SIGNING THE REPORT, SUBMIT A CONCURRING OR DISSENTING REPORT WHICH COMPLIES WITH THE REQUIREMENTS OF THIS SUBSECTION. A MEMBER] may not attest to any portion of the report as to which the advisor [MEMBER] is not qualified to give expert testimony.

(e) The report of the advisor [PANEL WITH ANY DISSENTING OR CONCURRING OPINION] is admissible in evidence to the same extent as though its contents were orally testified to by the person [OR PERSONS] preparing it. The court shall delete any portion that would not be admissible because of lack of foundation for opinion testimony, or otherwise. Either party may submit testimony to support or refute the report. The jury shall be instructed in general terms that the report shall be

1 considered and evaluated in the same manner as any other expert testimony. The
2 expert advisor [ANY MEMBER OF THE PANEL] may be called by any party and
3 may be cross-examined as to the contents of the report [OR OF THAT MEMBER'S
4 DISSENTING OR CONCURRING OPINION].

5 (f) Discovery [NO DISCOVERY] may not be undertaken in a case until the
6 report of the expert advisor [ADVISORY PANEL] is received. However, the court
7 may relax this prohibition upon a showing of good cause by a [ANY] party. If the
8 advisor [PANEL] has not completed the [ITS] report within the 30-day period
9 prescribed in (c) of this section, the court may, upon application, grant [IT] an
10 additional 30 days.

11 (g) The expert advisor is [MEMBERS OF A PANEL ARE] entitled to travel
12 expenses and per diem in accordance with state law pertaining to members of boards
13 and commissions for all time spent in preparing the [ITS] report. If an advisor [A
14 PANEL MEMBER] is called upon as a witness at trial or upon deposition, the advisor
15 [MEMBER] is entitled to payment of an expert witness fee, which may not exceed
16 \$150 per day. All expenses incurred by the advisor [PANEL] shall be paid by the
17 court. However, in any case in which the court determines that a party has made a
18 patently frivolous claim or a patently frivolous denial of liability, it shall order that all
19 costs of the expert advisor [ADVISORY PANEL] be borne by the party making that
20 claim or denial.

21 (h) Parties to the case and their counsel may not initiate communication out
22 of court with an expert advisor [MEMBERS OF THE PANEL] on the subject matter
23 of the advisor's [ITS] inquiry and report or cause or solicit others to do so, except
24 through ordinary discovery proceedings.

25 * Sec. 6. AS 09.55 is amended by adding a new section to read:

26 ARTICLE 5A. CERTAIN CLAIMS AGAINST HEALTH INSURERS.

27 Sec. 09.55.565. PROCEDURE FOR CERTAIN CLAIMS AGAINST A
28 HEALTH INSURER. (a) Unless preempted by federal law that provides otherwise,
29 a person who files an action against a health insurer resulting from a failure to timely
30 pay a claim or to authorize a health care service under a plan or policy shall also
31 submit the claim to the court for arbitration.

1 (b) When a claim is submitted as required by (a) of this section, the court shall
2 appoint an arbitrator to review the claim. The arbitrator appointed to review the claim
3 shall interview the parties and examine all records or materials relating to the claim
4 and may compel the attendance of witnesses, interview the parties, or consult with
5 medical specialists.

6 (c) An arbitrator appointed under this section shall conduct a prehearing
7 settlement conference within 30 days after the appointment. The arbitrator shall
8 establish a period for discovery and a date for a hearing. The hearing date may not
9 be more than 120 days after the settlement conference.

10 (d) An arbitrator shall render a decision within 30 days after hearing a claim
11 under (c) of this section. The decision must contain findings of fact and conclusions
12 of law. The decision of the arbitrator may be rejected by a party.

13 (e) If the decision of the arbitrator is rejected by a party, the action may
14 proceed in the appropriate court. The arbitrator's decision is admissible evidence in
15 that action and may be used by a party to support or oppose a claim of damages.

16 (f) The provisions of AS 09.43.010 - 09.43.180 (Uniform Arbitration Act)
17 apply to an arbitration under this section to the extent the provisions do not conflict
18 with the provisions of this section.

19 (g) In this section,

20 (1) "health care service" has the meaning given in AS 21.86.900;

21 (2) "health insurer" has the meaning given in AS 44.19.639.

22 * Sec. 7. AS 21.51 is amended by adding new sections to read:

23 Sec. 21.51.350. REVIEW AND APPROVAL OF RATES AND RATING
24 FACTORS. (a) A disability insurer shall file with the director and the Alaska Health
25 Commission rates or rating factors for disability insurance, including a change to such
26 a rate or factor. The filing must include detailed information that allows the director
27 and the commission to evaluate the appropriateness of the proposed rate or rating
28 factor. A disability insurer may furnish the following information in support of a
29 filing:

30 (1) actuarial judgment;

31 (2) interpretation of the statistical data relied upon by the disability

1 insurer;

2 (3) the loss and expense experience of the policy or plan or a similar
3 policy or plan; or

4 (4) other information or data requested by the director.

5 (b) A filing shall be made at least 75 days before the intended effective date
6 of the rate or rating factor and is subject to the approval of the Alaska Health
7 Commission. Within 45 days after a filing under this section, the director shall review
8 the filing and make a written recommendation to the Alaska Health Commission as to
9 whether the commission should approve or disapprove the filing. This
10 recommendation is not an order of the director and is not appealable under
11 AS 21.06.230.

12 Sec. 21.51.360. RISK SHARING AND PURCHASING POOLS. After
13 consulting with and considering any reports or recommendations of the Alaska Health
14 Commission, the director shall adopt regulations to allow for the creation of pools,
15 including pools for the primary benefit of children, for the purpose of sharing risks or
16 purchasing insurance under this chapter.

17 * Sec. 8. AS 21.86.070(g) is amended to read:

18 (g) The director may require that additional relevant material considered
19 necessary by the director be submitted in order to determine the acceptability of a
20 filing made under [EITHER] (b) [OR (e)] of this section.

21 * Sec. 9. AS 21.86 is amended by adding a new section to read:

22 Sec. 21.86.075. REVIEW AND APPROVAL OF RATES AND CHARGES.

23 (a) A health maintenance organization shall file with the director and the Alaska
24 Health Commission rates, rating factors, premiums, fees for services and enrollee fees,
25 including a change to such a rate, factor, premium, or fee, used in providing health
26 care services to enrollees of the health maintenance organization. The filing must
27 include detailed information that allows the director and the commission to evaluate
28 the appropriateness of the proposed rates, factors, premiums, and fees. A health
29 maintenance organization may furnish the following information in support of a filing:

30 (1) actuarial judgment;

31 (2) interpretation of the statistical data relied upon by the health

1 maintenance organization;

2 (3) the loss and expense experience of the policy or plan or a similar
3 policy or plan; or

4 (4) other information or data requested by the director.

5 (b) A filing required under this section shall be made at least 75 days before
6 the intended effective date of the rate, rating factor, premium, fee for services, or
7 enrollee fee and is subject to the approval of the Alaska Health Commission. Within
8 45 days after a filing under this section, the director shall review the filing and make
9 a written recommendation to the Alaska Health Commission as to whether the
10 commission should approve or disapprove the filing. This recommendation is not an
11 order of the director and is not appealable under AS 21.06.230.

12 * Sec. 10. AS 21.86 is amended by adding a new section to read:

13 Sec. 21.86.320. RISK SHARING AND PURCHASING POOLS. After
14 consulting with and considering any reports or recommendations of the Alaska Health
15 Commission, the director shall adopt regulations to allow for the creation of pools,
16 including pools for the primary benefit of children, for the purpose of sharing risks or
17 purchasing insurance under this chapter.

18 * Sec. 11. AS 21.87.190 is repealed and reenacted to read:

19 Sec. 21.87.190. REVIEW AND APPROVAL OF RATES AND CHARGES.

20 (a) Subscription rates, fees, and payments to be charged by a service corporation to
21 or on account of its subscribers may not be excessive, inadequate, or unfairly
22 discriminatory. Rates of payments to be made to participant providers and participant
23 hospitals for services rendered under a subscriber's contract must be fair and
24 reasonable.

25 (b) A service corporation shall file with the director and the Alaska Health
26 Commission subscription rates, rating factors, fees, and payments, including a change
27 to a rate, factor, fee, or payment, to be charged to or on account of the service
28 corporation's subscribers. The filing must include detailed information that allows the
29 director and the commission to evaluate the appropriateness of the proposed rates,
30 factors, fees, and payments. A service corporation may furnish the following
31 information in support of a filing:

- 1 (1) actuarial judgment;
- 2 (2) interpretation of the statistical data relied upon by the service
- 3 corporation;
- 4 (3) the loss and expense experience of the policy or plan or a similar
- 5 policy or plan; or
- 6 (4) other information or data requested by the director.

7 (c) A filing required under this section shall be made at least 75 days before

8 the intended effective date of the subscription rate, rating factor, fee, or payment and

9 is subject to the approval of the Alaska Health Commission. Within 45 days after a

10 filing under this section, the director shall review the filing and make a written

11 recommendation to the Alaska Health Commission as to whether the commission

12 should approve or disapprove the filing. This recommendation is not an order of the

13 director and is not appealable under AS 21.06.230.

14 (d) If a subscriber contract to be issued by the service corporation provides for

15 indemnity benefits and is permitted under this chapter, the service corporation shall

16 include in the rate, fee, or payment required of the subscriber an adequate additional

17 charge for the indemnity benefit, and shall separately set out the amount of the

18 additional charge in the filing required by this section and AS 44.19.629.

19 * Sec. 12. AS 21.87 is amended by adding a new section to read:

20 Sec. 21.87.285. RISK SHARING AND PURCHASING POOLS. After

21 consulting with and considering any reports or recommendations of the Alaska Health

22 Commission, the director shall adopt regulations to allow for the creation of pools,

23 including pools for the primary benefit of children, for the purpose of sharing risks or

24 purchasing insurance under this chapter.

25 * Sec. 13. AS 36.30.015 is amended by adding a new subsection to read:

26 (h) The Alaska Health Commission shall adopt regulations to manage the

27 procurement of supplies, services, and professional services necessary for its operations

28 under AS 44.19.619 - 44.19.639. The regulations must be based on principles of

29 competitive procurement, consistent with this chapter, to satisfy the requirements of

30 the Alaska Health Commission as determined by that commission.

31 * Sec. 14. AS 36.30.990(1) is amended to read:

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(1) "agency"

(A) means a department, institution, board, commission, division, authority, public corporation, the Alaska Pioneers' Home, or other administrative unit of the executive branch of state government;

(B) does not include

(i) the University of Alaska;

(ii) the Alaska Railroad Corporation;

(iii) the Alaska Housing Finance Corporation;

(iv) a regional Native housing authority created under AS 18.55.996 or a regional electrical authority created under AS 18.57.020;

(v) the Department of Transportation and Public Facilities, in regard to the repair, maintenance, and reconstruction of vessels, docking facilities, and passenger and vehicle transfer facilities of the Alaska marine highway system;

(vi) the Alaska Aerospace Development Corporation;

(vii) the Alaska State Pension Investment Board;

(viii) the Alaska Health Commission;

* Sec. 15. AS 39.25.110(11) is amended to read:

(11) the officers and employees of the following boards, commissions, and authorities:

(A) Alaska Gas Pipeline Financing Authority;

(B) Alaska Permanent Fund Corporation;

(C) Alaska Industrial Development and Export Authority;

(D) Alaska Commercial Fisheries Entry Commission;

(E) Alaska Commission on Postsecondary Education;

(F) Alaska Aerospace Development Corporation;

(G) Alaska Health Commission;

* Sec. 16. AS 44.19 is amended by adding new sections to read:

ARTICLE 12. ALASKA HEALTH COMMISSION.

Sec. 44.19.619. CREATION OF COMMISSION. The Alaska Health

1 Commission is created in the Office of the Governor.

2 Sec. 44.19.621. PURPOSE OF COMMISSION. The purpose of the
3 commission is to improve health care in this state by

4 (1) establishing and implementing a system for collecting and analyzing
5 information and data relating to the individual and public health care needs of and
6 services provided to residents of the state;

7 (2) promoting the use of electronic data transfer and the implementation
8 of uniform procedures for billing, payment, and claim systems;

9 (3) promoting consumer confidence in the health care system through
10 approval of rate filings by health insurers and disclosure of charges by health care
11 providers;

12 (4) promoting the creation of pools, including pools for the primary
13 benefit of children, for the purpose of sharing risks or purchasing insurance for health
14 care services; and

15 (5) analyzing health care reform proposals, including a proposal that
16 is based on a single payor system; recommending health care reform proposals to the
17 governor and the legislature; and reporting to and making recommendations to the
18 governor and legislature on the following:

19 (A) defining a range of potential benefit packages for universal
20 health care coverage for residents of the state; a benefit package must include
21 coverage for health care services without containing an exclusion based on a
22 preexisting condition;

23 (B) determining the needs and requirements imposed on the
24 state by federal enactments that affect health care reform; the commission shall
25 make the determination required under this subparagraph within 60 days after
26 each measure is enacted into law;

27 (C) determining the prospective costs for recommended
28 comprehensive health care reform proposals, as requested by the governor or
29 as determined by a majority vote of the commission;

30 (D) determining financing plans for recommended proposals;

31 (E) describing administrative structures necessary to implement

1 recommended proposals;

2 (F) identifying a process to implement statewide expenditure
3 measures for health care goods and services;

4 (G) investigating health care standards of practice and
5 determining their effect on medical tort liability and other aspects of health care
6 delivery; and

7 (H) investigating alternatives to existing hospital licensing
8 requirements to allow for less use of acute care facilities.

9 Sec. 44.19.622. COMPOSITION; QUALIFICATIONS; TERMS; REMOVAL;
10 DESIGNATION OF CHAIR. (a) The commission consists of three members
11 appointed by the governor and confirmed by the legislature for six-year terms. Not
12 more than one member of the commission may be

13 (1) a health care provider; or

14 (2) employed by a health insurance company.

15 (b) A commission member may serve only one six-year term plus the
16 remainder of any unexpired term to which the member was appointed.

17 (c) The governor may remove a member of the commission only for cause.

18 (d) The governor shall designate a member of the commission to serve, at the
19 pleasure of the governor, as chair of the commission for a term of two years. The
20 governor may reappoint the same member for additional terms as chair.

21 (e) A commission member shall comply with the applicable requirements of
22 AS 39.50, and must be a state resident throughout the person's term as a member of
23 the commission.

24 Sec. 44.19.623. STAFF. The commission may employ staff as necessary to
25 carry out the purposes of this chapter. The staff of the commission is in the exempt
26 service.

27 Sec. 44.19.624. COMPENSATION. Members of the commission are in the
28 exempt service and are entitled to a monthly salary equal to Step C, Range 26, of the
29 salary schedule set out in AS 39.27.011(a) for Anchorage, Alaska. Subject to the
30 availability of appropriations, the chair may be paid at a higher step in the same range,
31 if approved by the governor.

1 Sec. 44.19.625. MEETINGS. (a) The commission shall meet publicly not less
2 than quarterly to accomplish its duties under AS 44.19.619 - 44.19.639. The
3 commission shall comply with AS 44.62.310 - 44.62.312.

4 (b) Two members of the commission constitute a quorum for the transaction
5 of business and the exercise of the powers and duties of the commission.

6 Sec. 44.19.626. POWERS AND DUTIES. (a) The commission may

7 (1) enter into contracts and execute instruments necessary for carrying
8 out its business;

9 (2) establish advisory committees to the commission to conduct
10 research or investigation and report back to the commission on findings; an advisory
11 committee must consist of at least one member of the commission and may include
12 other individuals with appropriate expertise appointed by the commission;

13 (3) adopt regulations necessary to interpret or implement
14 AS 44.19.619 - 44.19.639, including regulations establishing reasonable, necessary fees
15 for services provided by the commission.

16 (b) The commission shall

17 (1) conduct public meetings in accordance with AS 44.19.625,
18 including holding public hearings as necessary;

19 (2) collect and analyze data and information from public, private, or
20 other sources relating to the cost, delivery, or financing of health care services
21 provided to state residents;

22 (3) monitor the costs of and the access to health care services to state
23 residents;

24 (4) make reports and recommendations to the governor and legislature
25 in accordance with AS 44.19.619 - 44.19.639;

26 (5) review and either approve or disapprove filings of rates, rate factors,
27 and subscriber and enrollee fees as provided in AS 44.19.629;

28 (6) establish a public health advisory committee that

29 (A) consists of at least one member of the commission and
30 other individuals with significant public health expertise appointed by the
31 commission; the commission shall consider public and private health care

1 professionals, labor organizations, businesses, the education system, the Alaska
2 Public Health Association, the Alaska Mental Health Board, and the Alaska
3 Native Health Board for service on the public health advisory committee, as
4 well as recognizing the need for geographic, ethnic, and cultural diversity;

5 (B) advises the commission on public health matters and the
6 integration of public health services under AS 44.19.621;

7 (C) develops a public health improvement plan as described
8 under (c) of this section;

9 (7) obtain waivers from federal agencies or under applicable federal law
10 to the extent necessary to maximize the collection and analysis of health care data.

11 (c) The plan developed by the committee under (b)(6) of this section may

12 (1) recognize the need for

13 (A) community involvement in health care planning and
14 delivery;

15 (B) attention to local needs that may vary from place to place;

16 (C) accountability for the use of public funds;

17 (D) equity and stability in the distribution of public funds;

18 (E) shared responsibility of all levels of government for
19 administering and financing public health care delivery; and

20 (F) coordination of basic public health services; and

21 (2) include

22 (A) an analysis of the health status of the residents of the state;

23 (B) an assessment of the most appropriate role for various levels
24 of government to play in addressing the health care needs of the residents of
25 the state;

26 (C) a delineation of the standards that should be used in
27 performing assessment, policy development, and quality assurance in the
28 delivery of public health services;

29 (D) documentation of the extent to which the current public
30 health system implements or achieves the standards identified under (C) of this
31 paragraph;

1 (E) identification of interjurisdictional issues involved in health
2 care access and delivery;

3 (F) recommendations, including recommendations for specific
4 legislative action when necessary, pertaining to the following:

5 (i) strategies, time lines, financial needs, and specific
6 sources of stable revenue for bringing the state public health care
7 system up to standards identified by the committee;

8 (ii) appropriate sharing of the responsibility of local,
9 regional, state, and federal government entities to deliver public health
10 care services efficiently and effectively, including recommendations for
11 organization within state government;

12 (iii) integration of the public health care system with
13 state and national health care reform efforts;

14 (iv) the committee's estimate of the optimal share that
15 public health should represent in the total health care delivery system
16 of the state, expressed in terms of a percentage of health care dollars
17 spent or in terms of public dollars per state resident.

18 Sec. 44.19.627. DUTY TO REPORT. At the request of the governor, the
19 commission shall compile and issue to the governor, the legislature, and the public a
20 report concerning its activities.

21 Sec. 44.19.628. UNIFORM DATA AND PROCEDURES FOR HEALTH
22 CLAIMS. (a) The director of the division of insurance, after considering the advice
23 of the commission, shall adopt by regulation uniform claims forms, uniform standards,
24 and uniform procedures for the processing of data relating to billing for and payment
25 of health care services provided to state residents. All health insurers shall comply
26 with the uniform claims forms, standards, and procedures established under this
27 section.

28 (b) To the extent that there is a conflict or inconsistency between a provision
29 of AS 21 that applies to a health insurer and a provision of a regulation adopted under
30 (a) of this section, the regulation governs. The director of the division of insurance
31 shall ensure that regulations adopted by the director under AS 21 that apply to a health

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insurer are not in conflict or inconsistent with regulations adopted under (a) of this section.

Sec. 44.19.629. REVIEW AND APPROVAL OF RATES AND CHARGES.

(a) The commission shall review a rate filing and the recommendation of the division of insurance made under AS 21.51.350, AS 21.86.075, or AS 21.87.190. In reviewing a filing, the commission

(1) shall collect and analyze information and data from the health insurer that made the filing;

(2) may use any information or data collected under AS 44.19.619 - 44.19.639; and

(3) shall hold a public hearing for comment on the filing and for verifying the basis for the filing.

(b) After the commission completes the requirements of (a) of this section, the commission shall issue a decision on the filing. The commission may approve or disapprove a filing reviewed under this section. If the commission fails to issue a decision within 75 days after the filing was made, the filing is considered to be approved by the commission under this section.

Sec. 44.19.630. APPEALS OF COMMISSION DECISIONS. A health insurer aggrieved by a decision of the commission under AS 44.19.629 concerning that insurer's filing may appeal the decision to the superior court.

Sec. 44.19.631. DISCLOSURE OF INFORMATION; PENALTY. (a) A person providing or insuring health care services in the state shall provide, upon request or order of the commission, reports, data, health information, insurance schedules, statistics, and other information, as determined necessary by the commission, by regulation, to carry out the purposes of AS 44.19.619 - 44.19.639. This subsection applies to the state and to a municipality; as well as to public and private health care facilities and providers, and health care insurers and self-insurers.

(b) Information and data obtained or produced by the commission is subject to AS 09.25.110 and 09.25.120 and regulations adopted under AS 09.25.110 and 09.25.120. Information or data that identifies a recipient of health care services is considered to be a medical and related public health record that is subject to the

1 exception to public inspection under AS 09.25.120 and shall be kept confidential.

2 (c) A member, an employee, or an agent of the commission, or a member of
3 an advisory committee to the commission, who wrongfully discloses or who uses or
4 permits the use of confidential information or data in violation of (b) of this section
5 is guilty of a class B misdemeanor.

6 Sec. 44.19.632. IMMUNITY FROM LIABILITY. Members of the
7 commission, its employees, its agents, its advisory committee members, and persons
8 providing information and data to the commission as required under AS 44.19.619 -
9 44.19.639 are not liable for civil damages for an act or omission in the execution of
10 their authorized activities or duties under AS 44.19.619 - 44.19.639. This section does
11 not preclude liability for civil damages as a result of reckless or intentional
12 misconduct.

13 Sec. 44.19.633. OATHS; SUBPOENAS. (a) The commission may administer
14 oaths and may issue subpoenas to persons to require testimony or to require the
15 production of records, information, or data under AS 44.19.629 or 44.19.631.

16 (b) If a person disobeys or resists a lawful subpoena issued by the commission,
17 the commission may certify the facts to the superior court, and upon certification the
18 court shall issue an order directing the person to appear before the court and show
19 cause why the person should not be punished for contempt.

20 Sec. 44.19.634. APPROPRIATIONS. The legislature may appropriate a
21 portion of the proceeds of the tax on insurance premiums collected under
22 AS 21.09.210 to the Alaska Health Commission for the commission's operating costs.

23 Sec. 44.19.635. DISCLOSURE OF PROVIDER CHARGES; FINE FOR
24 NONDISCLOSURE. (a) At least annually, a provider shall compile a list of charges
25 for the 20 health care services most commonly provided by that provider. Charges for
26 hospital services may be prepared on the basis of diagnosis-related groups. Upon
27 request of a person who is considering obtaining services from a provider, the provider
28 shall provide the list of charges to the person for use in comparing charges among
29 providers.

30 (b) Upon the request of a patient and before the commencement of a medical
31 procedure, the provider shall disclose to that patient the estimated charge for the

1 procedure. The estimated charge shall be made in good faith and must be based on
2 the provider's history of charges for that procedure. Nothing in this subsection
3 requires a provider to make a charge estimate if the provider does not agree to perform
4 the procedure.

5 (c) A provider shall place the following statement either on a form to be
6 signed by the patient or in a conspicuous location on an easily readable sign: "You
7 are entitled to a charge estimate for a medical procedure before the procedure is
8 performed by your health provider."

9 (d) If the commission, after investigation of a complaint by a patient,
10 determines that a provider has not complied with this section, the commission may
11 impose a fine of up to \$1,000 against the provider. The commission may impose only
12 one fine under this section against a provider in a calendar year. A provider's
13 violation of this section does not preclude the provider from collecting payment for
14 services provided.

15 (e) A provider aggrieved by a decision of the commission under this section
16 may appeal the decision to the superior court.

17 Sec. 44.19.639. DEFINITIONS. In AS 44.19.619 - 44.19.639, unless the
18 context requires otherwise,

19 (1) "commission" means the Alaska Health Commission;

20 (2) "division of insurance" means the division of insurance in the
21 Department of Commerce and Economic Development;

22 (3) "health care services" has the meaning given in AS 21.86.900;

23 (4) "health information" means all information and data relating to
24 access to or delivery or financing of health care services;

25 (5) "health insurance" has the meaning given "disability insurance" in
26 AS 21.12.050;

27 (6) "health insurer" means an entity transacting the business of health
28 insurance, a health maintenance organization under AS 21.86, a hospital service
29 corporation under AS 21.87, a medical service corporation under AS 21.87, or a
30 combined medical service and hospital service corporation under AS 21.87;

31 (7) "pool" means a mechanism to facilitate or provide for sharing risks

1 or the purchase of health insurance in the event coverage is unavailable or
2 unobtainable;

3 (8) "provider" has the meaning given in AS 21.86.900;

4 (9) "single payor system" means a method of financing health care
5 services in a manner that provides every resident a minimum set of uniform benefits
6 and that requires payment for services be made through a single entity.

7 * Sec. 17. AS 44.62.310(d) is amended to read:

8 (d) This section does not apply to

9 (1) judicial or quasi-judicial bodies when holding a meeting solely to
10 make a decision in an adjudicatory proceeding;

11 (2) juries;

12 (3) parole or pardon boards;

13 (4) meetings of a hospital medical staff; or

14 (5) meetings of the governing body or any committee of a hospital
15 when holding a meeting solely to act upon matters of professional qualifications,
16 privileges or discipline; or

17 (6) meetings of the Alaska Health Commission, except for meetings
18 concerning the adoption of regulations or actions on filings under AS 44.19.629.

19 * Sec. 18. AS 44.66.010(a) is amended by adding a new paragraph to read:

20 (20) Alaska Health Commission (AS 44.19.619) -- June 30, 1999.

21 * Sec. 19. AS 09.55.560(2), 09.55.560(3); AS 21.86.070(e), and 21.86.070(f) are repealed.

22 * Sec. 20. Alaska Rule of Civil Procedure 72.1 is repealed.

23 * Sec. 21. APPLICABILITY. Sections 4, 5, and 6 of this Act apply to a cause of action
24 accruing on or after the effective date of this Act.

25 * Sec. 22. INITIAL APPOINTMENT OF COMMISSION MEMBERS. Notwithstanding
26 AS 44.19.622(a), enacted by sec. 16 of this Act, the terms of persons initially appointed to the
27 Alaska Health Commission under AS 44.19.622 shall be staggered as provided in
28 AS 39.05.055.

29 * Sec. 23. REAPPOINTMENT OF INITIAL APPOINTEES. Notwithstanding
30 AS 44.19.622(b), enacted by sec. 16 of this Act, a person initially appointed to the Alaska
31 Health Commission under (a) of this section may be reappointed to serve no more than one

1 six-year term as a member of the Alaska Health Commission.

2 * Sec. 24. PHASED TRANSITION PERIOD. (a) Notwithstanding the provisions of
3 AS 44.19.621 - 44.19.639, the Alaska Health Commission shall implement the provisions of
4 AS 44.19.621 - 44.19.639 on a orderly and gradual basis as follows:

5 (1) by January 1, 1996, the commission shall complete the research necessary
6 to report recommendations to the governor and the legislature on the issues described under
7 AS 44.19.621(a)(5)(A), (C), (D), (E), and (G);

8 (2) by July 1, 1996, the commission shall complete the research necessary to
9 report recommendations to the governor and the legislature on the issues described under
10 AS 44.19.621(a)(5)(F) and adopt regulations necessary to implement AS 44.19.628(a);

11 (3) by January 1, 1997, the commission shall complete the research necessary
12 to report recommendations to the governor and the legislature on the issues described under
13 AS 44.19.621(a)(5)(H).

14 (b) Upon request of the commission, and for good cause shown, the governor may
15 grant an extension of a deadline set in (a) of this section. The governor shall inform the
16 legislature of a decision on a request to extend a deadline.

17 * Sec. 25. AS 09.55.536(f), amended by sec. 5 of this Act, amends Alaska Rules of Civil
18 Procedure 26 and 27 by providing that discovery may not be undertaken until the expert
19 advisor's report is received.

20 * Sec. 26. AS 09.55.536(e), amended by sec. 5 of this Act, amends Alaska Rules of
21 Evidence 802, 803, and 804 by providing that the expert advisor's report is admissible in
22 evidence to the same extent as though its contents were orally testified to by the advisor.

23 * Sec. 27. Section 20 of this Act takes effect July 1, 1994, only if that section receives the
24 two-thirds majority vote of each house required by art. IV, sec. 15, Constitution of the State
25 of Alaska

26 * Sec. 28. This Act takes effect July 1, 1994.



Alaska State Legislature

House of Representatives
 COMMITTEE ON HEALTH, EDUCATION
 AND SOCIAL SERVICES

SUBJECT OF MEETING:
 HB 414: COMPREHENSIVE HEALTH INSURANCE ACT

DATE: 3/16/94

PLACE: Capitol Room 106

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Mary Lou Mowbray	AARP					Y <input checked="" type="radio"/> N	414
Eugene G. Darr	AARP					Y <input checked="" type="radio"/> N	414
Al Beery Hill	AARP					Y <input checked="" type="radio"/> N	414
Ed Burgan	JH					Y <input checked="" type="radio"/> N	414
Bruce Case	JH					Y <input checked="" type="radio"/> N	414
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

H/HESS ROLL CALL FORM

BILL HB 414 DATE 3/16/94
 TAPE 94-52-B NUMBER 571e
 SUBJECT OF VOTE TO ADOPT AMENDMENT # 10

MEMBER	YEA	NAY	ABS
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	—	✓	—
Rep. Al Vezey	—	✓	—
Rep. Pete Kott	✓	—	—
Rep. Harley Olberg	—	—	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	✓	—	—
TOTAL	<u>3</u>	<u>4</u>	—

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BILL HB 414 DATE 3/16/94
 TAPE 94-53.A NUMBER 487
 SUBJECT OF VOTE TO ADOPT AMENDMENT # 11

MEMBER	YEA	NAY	ABS
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	—	✓	—
Rep. Al Vezey	—	—	—
Rep. Pete Kott	—	—	—
Rep. Harley Olberg	✓	—	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	✓	—	—
Rep. Cynthia Toohey	—	✓	—
TOTAL	<u>3</u>	<u>3</u>	—

BILL HB 4114 DATE 3/16/94
TAPE 94-53A NUMBER 758

SUBJECT OF VOTE TO REMOVE THE WORDS "EXTENSIVE COMMUNITY-BASED" AND INSERT "A" BEFORE THE WORD "PUBLIC" IN AMENDMENT 12.

MEMBER	YEA	NAY	ABS
Rep. Gary Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Al Vezey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Pete Kott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Harley Olberg	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Bettye Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Irene Nicholia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Tom Brice	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Cynthia Toohey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Con Bunde	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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BILL HB 4114 DATE 3/16/94
TAPE 94-53A NUMBER 759

SUBJECT OF VOTE TO ADOPT AMENDMENT 12 AS AMENDED

MEMBER	YEA	NAY	ABS
Rep. Al Vezey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Pete Kott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Harley Olberg	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Bettye Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Irene Nicholia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Tom Brice	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Cynthia Toohey	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Con Bunde	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Gary Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTAL	<u>3</u>	<u>3</u>	<input type="checkbox"/>

BILL HB 414

DATE 3/11/94

TAPE 94-52A

NUMBER 911

SUBJECT OF VOTE TO ADOPT AMENDMENT 13

MEMBER	YEA	NAY	ABS
Rep. Pete Kott	—	—	—
Rep. Harley Olberg	—	✓	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	✓	—	—
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	✓	—	—
Rep. Al Vezey	—	—	—
TOTAL	—	—	—

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BILL _____

DATE _____

TAPE 94- _____

NUMBER _____

SUBJECT OF VOTE _____

MEMBER	YEA	NAY	ABS
Rep. Harley Olberg	—	—	—
Rep. Bettye Davis	—	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	—	—	—
Rep. Con Bunde	—	—	—
Rep. Gary Davis	—	—	—
Rep. Al Vezey	—	—	—
Rep. Pete Kott	—	—	—
TOTAL	—	—	—

TO: MARVEEN

FROM: DON LEHMANN, MD

RE: PROPOSED AMMENDMENTS TO CS FOR HB 414

p.2 line 5... add word... "health care for all Alaskans..."

p.13 line 16 add words... "is based on a market based single payer."

page 14 line 10 increase commission members from [three] to seven.

line 11 add word... "for staggered six-year terms."

delete last word in line 11 and lines 12-14 and substitute instead.

Insert "In appointing members of the commission, the governor shall ensure that

(1) a majority of the members are experts in health care issues and fairly represent the interests of the general public in having access to quality and affordable health care;

(2) the interests of consumers and health care providers are fairly represented;

(3) the member is a resident of the state; and

(4) the commission has a gender and geographic composition that approximates the population of the state."

page 17 add new items 8 and 9.

Insert "

(8) Consider a program to give incentives to primary care providers to practice in the state, especially in rural and under served areas of the state; incentives may include added premiums on prices for primary care providers, a student loan forgiveness program, an in-state family practice residency program, training and rotations for midlevel practitioners, and other appropriate incentives;

(9) establish advisory committees of experts and others as needed to make recommendations to the commission regarding how to contain the cost of health care, including incorporating a greater emphasis on healthful lifestyles, prevention of disease and injury, promoting effective medical treatments, identifying the optimal provider mix within the state, or other matters determined by the commission."

page 16 Sec 44 19 628 add new item (c).

* Sec. 5. AS 21.54 is amended by adding a new section to read:

CLAIMS PROCESSING. (a) An insurer authorized to transact disability insurance in the state shall

(1) pay each claim within 15 business days after a claim is received or, within that same time period, give the person that submitted the claim notice that the claim is denied; and

(2) adopt a claims grievance procedure and submit the procedure to the division for approval; after the procedure has been approved, the insurer shall follow the procedure.

(b) If a claim form is fully completed and an insurer fails to pay a claim or give notice that the claim is denied within the time specified in (a) of this section, the insurer shall pay interest at the rate specified in AS 45.45.010, from the 16th business day after the claim was received until paid, on the amount finally determined to be due.

(c) If an insurer denies a claim, the notice that the claim is denied must include a statement of the reason for the denial. The statement must be sufficiently clear to allow the provider to understand the reason for the denial and to take corrective action, including resubmission of the claim, if appropriate."

3

page 21 line 4 delete item (G) and substitute

"market based single payer system" means a system in which a single entity provides health insurance to all residents of the state and the insurance is based on market forces, including provider defined fees, defined patient copayments, sliding scale copayments for the indigent, provider fees that are posted or made otherwise available at the point of services, published or disseminated fees in comparative lists that allow fee comparison by consumers, voluntary expenditure targets, provider peer review and control of volume, utilization, and quality of health services, and a regularly published description of the various types of providers licensed to provide services in the benefit package."

4

There are two other amendments that I would like to see included but am uncertain about the appropriate language and location. The first includes "any willing provider" language for physicians. I have included a copy of HB 476 that has appropriate language for dental providers and could be ammended. Lastly, I hope I am not naive in believing that tort reform is an important part of health system reform, supported both by the governor and by the majority. Is the following paragrapn modified from HB 273 possible?

Once again, thank you for your help.

15 * Sec. 21. (a) This Act takes effect only if an Act requiring that a civil action against a
 16 health care provider by a person less than six years of age be brought before the claimant's
 17 eighth birthday, limiting noneconomic damages to \$500,000 for each claim, allowing
 18 prejudgment interest on a medical malpractice judgment to bear interest at the prevailing
 19 federal discount rate, prohibiting prejudgment interest on future and punitive damages,
 20 requiring mandatory arbitration in medical malpractice actions, ~~and~~
 21 ~~requiring~~ requiring periodic
 22 payment of certain future damages, and limiting the liability of hospitals for nonemployees
 23 is passed by the Eighteenth Alaska State legislature during its ^{2nd} Regular Session and is
 24 signed into law by the governor.

25 (b) If the condition described in (a) of this section is fulfilled, this Act takes effect
 26 July 1, 1994.

HOUSE BILL NO. 476

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE G.DAVIS BY REQUEST

Introduced: 2/14/94

Referred: Labor & Commerce, State Affairs

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to insurance for services performed by a dentist; and providing
2 for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 21.42 is amended by adding a new section to read:

5 Sec. 21.42.390. DENTAL INSURANCE POLICY PROVISIONS. (a) An
6 insurer authorized under AS 21.09 to offer, issue for delivery, deliver, or renew an
7 individual or group disability insurance policy for medical coverage on an expense
8 incurred basis in the state

9 (1) may not

10 (A) prohibit the policyholder from selecting the dentist of the
11 policyholder's choice if the dentist is licensed under AS 08.36 to perform the
12 dental service;

13 (B) deny a dentist the right to participate as a contract provider
14 if the dentist is licensed under AS 08.36 to perform the covered dental service;

1 (C) authorize a person to regulate, interfere, or intervene in a
2 dentist's diagnosis or treatment of a patient's dental illness or injury if the
3 dentist is licensed to perform the diagnosis or treatment under AS 08.36;

4 (D) require that in treating a dental illness or injury the dentist
5 make or obtain dental x-rays or other diagnostic aids; this paragraph does not
6 prohibit a request for existing dental x-rays or other existing diagnostic aids for
7 the purpose of determining if benefits are payable under the applicable policy;

8 (2) shall

9 (A) if applicable, disclose to each policyholder that the coverage
10 is limited to the least costly treatment;

11 (B) define and explain the standard on which coverage or
12 reimbursement for the cost of dental services is based; and

13 (C) provide that coverage or reimbursement for a noncontracting
14 provider dentist shall be equal to the coverage or reimbursement for a
15 contracting provider dentist; this paragraph does not require coverage or
16 reimbursement in an amount greater than allowed under the policy or contract
17 or greater than charged by the dentist providing the dental care services.

18 (b) This section does not require that particular dental care benefits be
19 provided under an insurance policy.

20 (c) Notwithstanding the other provisions of this section,

21 (1) a dentist licensed under AS 08.36 may contract directly with a
22 person to provide dental care services that the dentist is licensed to perform; and

23 (2) an insurer authorized under AS 21.09 to offer, issue for delivery,
24 deliver, or renew an individual or group disability insurance policy for medical
25 coverage on an expense incurred basis in the state may

26 (A) make information relating to dental care services, fees,
27 location, or hours of service available to a policyholder or covered person if the
28 information is provided after a request by a dentist licensed under AS 08.36;

29 (B) establish an administrative procedure to facilitate payment
30 for dental care services by an insured or covered person to the dentist of the
31 insured or covered person's choice; and

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(C) pay or reimburse, on a nondiscriminatory basis, an insured or covered person for the cost of dental care services by the dentist of the insured or covered person's choice.

(d) An individual or group disability insurance policy offered, issued for delivery, or delivered in violation of this section may not be enforced.

(e) In this section, "dental care services" means services performed for the purpose of preventing, alleviating, curing, or healing an illness or injury relating to a person's teeth and includes the practices described under AS 08.36.360.

* Sec. 2. APPLICABILITY. This Act applies to a policy of insurance entered into or renewed on or after the effective date of this Act.

* Sec. 3. This Act takes effect July 1, 1994.

#10

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE BRICE

TO: CSHB 414(HES)

Page 8, lines 24 - 25:

Delete "and the Alaska Health Commission"

Page 9, lines 6 - 11:

Delete all material.

Insert "of the rate or rating factor and is subject to the approval of the director."

Page 9, lines 23 - 24:

Delete "and the Alaska Health Commission"

Page 10, lines 7 - 11:

Delete all material.

Insert "enrollee fee and is subject to the approval of the director."

Page 10, lines 25 - 26:

Delete "and the Alaska Health Commission"

Page 10, line 29:

Delete "and the commission"

Page 11, lines 9 - 13:

Delete all material.

Insert "is subject to the approval of the director."

Page 11, line 18:

Delete "and AS 44.19.629"

Page 15, lines 26 - 27:

Delete all material.

Renumber the following paragraphs accordingly.

Page 16, line 11:

Delete "(b)(6)"

Insert "(b)(5)"

Page 18, lines 3 - 20:

Delete all material.

Page 19, line 15:

Delete "AS 44.19.629 or 44.19.631"

Insert "AS 44.19.631"

Page 21, line 18:

Delete "or actions on filings under AS 44.19.629"

11

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HB 414

14
Page ~~7~~, line ~~22~~: 10

Delete "three"

Insert "seven"

14
Page ~~3~~, line 23, after "terms.":

Insert 'In appointing members of the commission, the governor shall ensure that

(1) a majority of the members are experts in health care issues and fairly represent the interests of the general public in having access to quality and affordable health care;

(2) the interests of consumers and health care providers are fairly represented;

(3) the member is a resident of the state; and

(4) the commission has a gender and geographic composition that approximates the population of the state."

14 27-31
Page ~~4~~, lines 5-9:

Delete all material and insert:

"Sec. 44.19.624. COMPENSATION AND EXPENSES. A commissioner is entitled to receive compensation at the rate of \$400 for each day spent in performing duties as a board member and to travel and per diem expenses authorized by law for boards and commissions under AS 39.20.180."

15
Page ~~4~~, line ~~4~~: 4

Delete "Two"

Insert "Four"

AMENDMENT

12

OFFERED IN THE HOUSE

TO: HB 414

20 16

Page 7, after line 12:

Insert a new section to read:

"Sec. 44.19.63⁶. REQUIRED PUBLIC INVOLVEMENT PROCESS. The commission shall design, implement, and maintain an extensive community based public involvement process for the purpose of providing residents with an ongoing opportunity to participate in decisions made by the commission's members regarding

- (1) health care services residents want included in a benefit package;
- (2) financing options;
- (3) revenue sources that should be used to finance a health plan;
- (4) cost-sharing options; and
- (5) administration of a health care plan."

17-17

#13

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HB 414

16
10
Page 5, line 6:

Delete " "

Insert " "

(6) develop a plan that comprehensively addresses the needs of residents of the state for long-term care."

8-GH2024E ✓

Ford

3/14/94

**CS FOR HOUSE BILL NO. 414(HES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION**

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:
Referred:

Sponsor(s): **HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

A BILL

FOR AN ACT ENTITLED

1 "An Act creating the Alaska Health Commission; relating to the delivery, quality,
2 access, and financing of health care; relating to review and approval of rates and
3 charges of health insurers; relating to certain civil actions against health care
4 providers and health insurers; amending Alaska Rules of Civil Procedure 26 and
5 27 and Alaska Rules of Evidence 802, 803, and 804; repealing Alaska Rule of
6 Civil Procedure 72.1; and providing for an effective date."

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 * Section 1. FINDINGS AND INTENT. (a) The legislature finds that the access to
9 quality and affordable health care and maintenance of the public's health are vital to the public
10 interest. The legislature further finds that health care costs have grown at a rate far in excess
11 of the overall inflation rate in the economy due to several factors, including variations in
12 treatment practices of providers, cost shifting by health care providers, administrative costs
13 of insurance claims practices, unavailability of affordable insurance, costs of increasing claims

1 and liability for medical malpractice, and lack of coordination of population based public
2 health services. The legislature therefore finds a present need for long-term reform of the
3 health care system in the state.

4 (b) It is the intent of the legislature to promote access to affordable, quality health
5 care for Alaskans by establishing a mechanism for the review of health insurance rate filings,
6 the implementation of health care reform measures, the stabilization of health care service
7 costs, the collection and analysis of information and data concerning health care services, and
8 the making of recommendations based on that data to the governor and the legislature.

9 * Sec. 2. AS 08.64.326 is amended to read:

10 Sec. 08.64.326. GROUNDS FOR IMPOSITION OF DISCIPLINARY
11 SANCTIONS. (a) The board may impose a sanction if the board finds after a hearing
12 that a licensee

13 (1) secured a license through deceit, fraud, or intentional
14 misrepresentation;

15 (2) engaged in deceit, fraud, or intentional misrepresentation while
16 providing professional services or engaging in professional activities;

17 (3) advertised professional services in a false or misleading manner;

18 (4) has been convicted, including conviction based on a guilty plea or
19 plea of nolo contendere, of

20 (A) a felony or other crime if the felony or other crime is
21 substantially related to the qualifications, functions, or duties of the licensee;
22 or

23 (B) a crime involving the unlawful procurement, sale,
24 prescription, or dispensing of drugs;

25 (5) has procured, sold, prescribed, or dispensed drugs in violation of
26 a law, regardless of whether there has been a criminal action;

27 (6) intentionally or negligently permitted the performance of patient
28 care by persons under the licensee's supervision that does not conform to minimum
29 professional standards even if the patient was not injured;

30 (7) failed to comply with this chapter, a regulation adopted under this
31 chapter, or an order of the board;

1 (8) has demonstrated

2 (A) professional incompetence, gross negligence, or repeated
3 negligent conduct; the board may not base a finding of professional
4 incompetence solely on the basis that a licensee's practice is unconventional or
5 experimental in the absence of demonstrable physical harm to a patient;

6 (B) addiction to, severe dependency on, or habitual overuse of
7 alcohol or other drugs that impairs the licensee's ability to practice safely;

8 (C) unfitness because of physical or mental disability;

9 (9) engaged in unprofessional conduct or in lewd or immoral conduct
10 in connection with the delivery of professional services to patients;

11 (10) has violated AS 18.16.010;

12 (11) has violated any code of ethics adopted by regulation by the board;

13 or

14 (12) [HAS DENIED CARE OR TREATMENT TO A PATIENT OR
15 PERSON SEEKING ASSISTANCE FROM THE PHYSICIAN IF THE ONLY
16 REASON FOR THE DENIAL IS THE FAILURE OR REFUSAL OF THE PATIENT
17 TO AGREE TO ARBITRATE AS PROVIDED IN AS 09.55.535(a); OR

18 (13)] has had a license or certificate to practice medicine in another
19 state or territory of the United States, or a province or territory of Canada suspended
20 or revoked unless the suspension or revocation was caused by the failure of the
21 licensee to pay fees to that state, territory, or province.

22 (b) In a case involving (a)(12) [(a)(13)] of this section, the final findings of
23 fact, conclusions of law, and order of the authority that suspended or revoked a license
24 or certificate constitutes a prima facie case that the license or certificate was suspended
25 or revoked and the grounds under which the suspension or revocation was granted.

26 * Sec. 3. AS 08.68.270 is amended to read:

27 Sec. 08.68.270. GROUND~~S~~ FOR DENIAL, SUSPENSION, OR
28 REVOCATION. The board may deny, suspend, or revoke the license of a person who

29 (1) has obtained or attempted to obtain a license to practice nursing by
30 fraud or deceit;

31 (2) has been convicted of a felony or other crime if the felony or other

1 crime is substantially related to the qualifications, functions or duties of the licensee;

2 (3) habitually abuses alcoholic beverages, or illegally uses controlled
3 substances;

4 (4) has impersonated a registered or practical nurse;

5 (5) has intentionally or negligently engaged in conduct that has resulted
6 in a significant risk to the health or safety of a client or in injury to a client;

7 (6) practices or attempts to practice nursing while afflicted with
8 physical or mental illness, deterioration, or disability that interferes with the
9 individual's performance of nursing functions;

10 (7) is guilty of unprofessional conduct as defined by regulations
11 adopted by the board;

12 (8) has wilfully or repeatedly violated a provision of this chapter or
13 regulations adopted under it;

14 (9) is professionally incompetent [;

15 (10) DENIES CARE OR TREATMENT TO A PATIENT OR PERSON
16 SEEKING ASSISTANCE IF THE SOLE REASON FOR THE DENIAL IS THE
17 FAILURE OR REFUSAL OF THE PATIENT OR PERSON SEEKING ASSISTANCE
18 TO AGREE TO ARBITRATE AS PROVIDED IN AS 09.55.535(a)].

19 * Sec. 4. AS 09.55.535 is repealed and reenacted to read:

20 Sec. 09.55.535. MANDATORY ARBITRATION. (a) A person who files an
21 action for damages against a health care provider resulting from medical malpractice
22 shall also submit the claim to the court for arbitration.

23 (b) When a claim is submitted as required by (a) of this section, the court shall
24 appoint an arbitrator to review the claim. The arbitrator appointed to review the claim
25 shall interview the parties and examine all records or materials relating to the claim
26 and may compel the attendance of witnesses, interview the parties, or consult with
27 medical specialists.

28 (c) An arbitrator appointed under this section shall conduct a prehearing
29 settlement conference within 30 days after the appointment. The arbitrator shall
30 establish a period for discovery and a date for a hearing. The hearing date may not
31 be more than 120 days after the settlement conference.

1 (d) An arbitrator shall render a decision within 30 days after hearing a claim
2 under (c) of this section. The decision must contain findings of fact and conclusions
3 of law. The decision of the arbitrator may be rejected by a party.

4 (e) If the decision of the arbitrator is rejected by a party, the action may
5 proceed in the appropriate court. The arbitrator's decision is admissible evidence in
6 that action and may be used by a party to support or oppose a claim of damages.

7 (f) The provisions of AS 09.43.010 - 09.43.180 (Uniform Arbitration Act)
8 apply to an arbitration under this section to the extent the provisions do not conflict
9 with the provisions of this section.

10 * Sec. 5. AS 09.55.536 is amended to read:

11 Sec. 09.55.536. EXPERT ADVISOR [ADVISORY PANEL]. (a) In an action
12 for damages due to personal injury or death based upon the provision of professional
13 services by a health care provider [WHEN THE PARTIES HAVE NOT AGREED TO
14 ARBITRATION OF THE CLAIM UNDER AS 09.55.535,] the court shall appoint
15 within 20 days after filing of answer to a summons and complaint an [A THREE-
16 PERSON] expert medical advisor [EXPERT ADVISORY PANEL] unless the court
17 decides that an expert advisory opinion is not necessary for a decision in the case.
18 When the action is filed the court shall, by order, determine the professions or
19 specialties to be represented by [ON] the medical expert [ADVISORY PANEL],
20 giving the parties the opportunity to object or make suggestions.

21 (b) The expert advisor [ADVISORY PANEL] may compel the attendance of
22 witnesses, interview the parties, physically examine the injured person if alive, consult
23 with the specialists or learned works the advisor considers [THEY CONSIDER]
24 appropriate, and compel the production of and examine all relevant hospital, medical,
25 or other records or materials relating to the health care in issue. The advisor
26 [PANEL] may meet in camera, but shall maintain a record of any testimony or oral
27 statements of witnesses, and shall keep copies of all written statements received [IT
28 RECEIVES].

29 (c) Not more than 30 days after selection of the advisor, the advisor [PANEL,
30 IT] shall make a written report to the parties and to the court, answering the following
31 questions and other questions submitted to the advisor [PANEL] by the court:

- 1 (1) What was the disorder for which the plaintiff came to medical care?
- 2 (2) What would have been the probable outcome without medical care?
- 3 (3) Was the treatment selected appropriate for the case?
- 4 (4) Did an injury arise from the medical care?
- 5 (5) What is the nature and extent of the medical injury?
- 6 (6) What specifically caused the medical injury?
- 7 (7) Was the medical injury caused by unskillful care?
- 8 (8) If a medical injury had not occurred, how would the plaintiff's
- 9 condition differ from the plaintiff's present condition?

10 (d) In any case in which the answer to one or more of the questions submitted
11 to the advisor [PANEL] depends upon the resolution of factual questions that
12 [WHICH] are not the proper subject of expert opinion, the report shall so state and
13 may answer questions based upon hypothetical facts that are fully set out in the
14 opinion. The report must [SHALL] include copies of all written statements, opinions,
15 or records relied upon by the advisor [PANEL] and either a transcription or other
16 record of any oral statements or opinions; must [SHALL] specify any medical or
17 scientific authority relied upon by the advisor [PANEL]; and must [SHALL] include
18 the results of any physical or mental examination performed on the plaintiff. The
19 advisor [EACH MEMBER] shall sign the report and the signature constitutes the
20 advisor's [MEMBER'S] adoption of all statements and opinions contained in it. An
21 advisor [; HOWEVER, A MEMBER MAY, INSTEAD OF SIGNING THE REPORT,
22 SUBMIT A CONCURRING OR DISSENTING REPORT WHICH COMPLIES WITH
23 THE REQUIREMENTS OF THIS SUBSECTION. A MEMBER] may not attest to
24 any portion of the report as to which the advisor [MEMBER] is not qualified to give
25 expert testimony.

26 (e) The report of the advisor [PANEL WITH ANY DISSENTING OR
27 CONCURRING OPINION] is admissible in evidence to the same extent as though its
28 contents were orally testified to by the person [OR PERSONS] preparing it. The court
29 shall delete any portion that would not be admissible because of lack of foundation for
30 opinion testimony, or otherwise. Either party may submit testimony to support or
31 refute the report. The jury shall be instructed in general terms that the report shall be

1 considered and evaluated in the same manner as any other expert testimony. The
 2 expert advisor [ANY MEMBER OF THE PANEL] may be called by any party and
 3 may be cross-examined as to the contents of the report [OR OF THAT MEMBER'S
 4 DISSENTING OR CONCURRING OPINION].

5 (f) Discovery [NO DISCOVERY] may not be undertaken in a case until the
 6 report of the expert advisor [ADVISORY PANEL] is received. However, the court
 7 may relax this prohibition upon a showing of good cause by a [ANY] party. If the
 8 advisor [PANEL] has not completed the [ITS] report within the 30-day period
 9 prescribed in (c) of this section, the court may, upon application, grant [IT] an
 10 additional 30 days.

11 (g) The expert advisor is [MEMBERS OF A PANEL ARE] entitled to travel
 12 expenses and per diem in accordance with state law pertaining to members of boards
 13 and commissions for all time spent in preparing the [ITS] report. If an advisor [A
 14 PANEL MEMBER] is called upon as a witness at trial or upon deposition, the advisor
 15 [MEMBER] is entitled to payment of an expert witness fee, which may not exceed
 16 \$150 per day. All expenses incurred by the advisor [PANEL] shall be paid by the
 17 court. However, in any case in which the court determines that a party has made a
 18 patently frivolous claim or a patently frivolous denial of liability, it shall order that all
 19 costs of the expert advisor [ADVISORY PANEL] be borne by the party making that
 20 claim or denial.

21 (h) Parties to the case and their counsel may not initiate communication out
 22 of court with an expert advisor [MEMBERS OF THE PANEL] on the subject matter
 23 of the advisor's [ITS] inquiry and report or cause or solicit others to do so, except
 24 through ordinary discovery proceedings.

25 * Sec. 6. AS 09.55 is amended by adding a new section to read:

26 ARTICLE 5A. CERTAIN CLAIMS AGAINST HEALTH INSURERS.

27 Sec. 09.55.565. PROCEDURE FOR CERTAIN CLAIMS AGAINST A
 28 HEALTH INSURER. (a) Unless preempted by federal law that provides otherwise,
 29 a person who files an action against a health insurer resulting from a failure to timely
 30 pay a claim or to authorize a health care service under a plan or policy shall also
 31 submit the claim to the court for arbitration.

1 (b) When a claim is submitted as required by (a) of this section, the court shall
2 appoint an arbitrator to review the claim. The arbitrator appointed to review the claim
3 shall interview the parties and examine all records or materials relating to the claim
4 and may compel the attendance of witnesses, interview the parties, or consult with
5 medical specialists.

6 (c) An arbitrator appointed under this section shall conduct a prehearing
7 settlement conference within 30 days after the appointment. The arbitrator shall
8 establish a period for discovery and a date for a hearing. The hearing date may not
9 be more than 120 days after the settlement conference.

10 (d) An arbitrator shall render a decision within 30 days after hearing a claim
11 under (c) of this section. The decision must contain findings of fact and conclusions
12 of law. The decision of the arbitrator may be rejected by a party.

13 (e) If the decision of the arbitrator is rejected by a party, the action may
14 proceed in the appropriate court. The arbitrator's decision is admissible evidence in
15 that action and may be used by a party to support or oppose a claim of damages.

16 (f) The provisions of AS 09.43.010 - 09.43.180 (Uniform Arbitration Act)
17 apply to an arbitration under this section to the extent the provisions do not conflict
18 with the provisions of this section.

19 (g) In this section,

20 (1) "health care service" has the meaning given in AS 21.86.900;

21 (2) "health insurer" has the meaning given in AS 44.19.639.

22 * Sec. 7. AS 21.51 is amended by adding new sections to read:

23 Sec. 21.51.350. REVIEW AND APPROVAL OF RATES AND RATING
24 FACTORS. (a) A disability insurer shall file with the director and the Alaska Health
25 Commission rates or rating factors for disability insurance, including a change to such
26 a rate or factor. The filing must include detailed information that allows the director
27 and the commission to evaluate the appropriateness of the proposed rate or rating
28 factor. A disability insurer may furnish the following information in support of a
29 filing:

30 (1) actuarial judgment;

31 (2) interpretation of the statistical data relied upon by the disability

1 insurer;

2 (3) the loss and expense experience of the policy or plan or a similar
3 policy or plan; or

4 (4) other information or data requested by the director.

5 (b) A filing shall be made at least 75 days before the intended effective date
6 of the rate or rating factor and is subject to the approval of the Alaska Health
7 Commission. Within 45 days after a filing under this section, the director shall review
8 the filing and make a written recommendation to the Alaska Health Commission as to
9 whether the commission should approve or disapprove the filing. This
10 recommendation is not an order of the director and is not appealable under
11 AS 21.06.230.

12 Sec. 21.51.360. RISK SHARING AND PURCHASING POOLS. After
13 consulting with and considering any reports or recommendations of the Alaska Health
14 Commission, the director shall adopt regulations to allow for the creation of pools,
15 including pools for the primary benefit of children, for the purpose of sharing risks or
16 purchasing insurance under this chapter.

17 * Sec. 8. AS 21.86.070(g) is amended to read:

18 (g) The director may require that additional relevant material considered
19 necessary by the director be submitted in order to determine the acceptability of a
20 filing made under [EITHER] (b) [OR (e)] of this section.

21 * Sec. 9. AS 21.86 is amended by adding a new section to read:

22 Sec. 21.86.075. REVIEW AND APPROVAL OF RATES AND CHARGES.

23 (a) A health maintenance organization shall file with the director and the Alaska
24 Health Commission rates, rating factors, premiums, fees for services and enrollee fees,
25 including a change to such a rate, factor, premium, or fee, used in providing health
26 care services to enrollees of the health maintenance organization. The filing must
27 include detailed information that allows the director and the commission to evaluate
28 the appropriateness of the proposed rates, factors, premiums, and fees. A health
29 maintenance organization may furnish the following information in support of a filing:

30 (1) actuarial judgment;

31 (2) interpretation of the statistical data relied upon by the health

1 maintenance organization;

2 (3) the loss and expense experience of the policy or plan or a similar
3 policy or plan; or

4 (4) other information or data requested by the director.

5 (b) A filing required under this section shall be made at least 75 days before
6 the intended effective date of the rate, rating factor, premium, fee for services, or
7 enrollee fee and is subject to the approval of the Alaska Health Commission. Within
8 45 days after a filing under this section, the director shall review the filing and make
9 a written recommendation to the Alaska Health Commission as to whether the
10 commission should approve or disapprove the filing. This recommendation is not an
11 order of the director and is not appealable under AS 21.06.230.

12 * Sec. 10. AS 21.86 is amended by adding a new section to read:

13 Sec. 21.86.320. RISK SHARING AND PURCHASING POOLS. After
14 consulting with and considering any reports or recommendations of the Alaska Health
15 Commission, the director shall adopt regulations to allow for the creation of pools,
16 including pools for the primary benefit of children, for the purpose of sharing risks or
17 purchasing insurance under this chapter.

18 * Sec. 11. AS 21.87.190 is repealed and reenacted to read:

19 Sec. 21.87.190. REVIEW AND APPROVAL OF RATES AND CHARGES.

20 (a) Subscription rates, fees, and payments to be charged by a service corporation to
21 or on account of its subscribers may not be excessive, inadequate, or unfairly
22 discriminatory. Rates of payments to be made to participant providers and participant
23 hospitals for services rendered under a subscriber's contract must be fair and
24 reasonable.

25 (b) A service corporation shall file with the director and the Alaska Health
26 Commission subscription rates, rating factors, fees, and payments, including a change
27 to a rate, factor, fee, or payment, to be charged to or on account of the service
28 corporation's subscribers. The filing must include detailed information that allows the
29 director and the commission to evaluate the appropriateness of the proposed rates,
30 factors, fees, and payments. A service corporation may furnish the following
31 information in support of a filing:

- 1 (1) actuarial judgment;
- 2 (2) interpretation of the statistical data relied upon by the service
- 3 corporation;
- 4 (3) the loss and expense experience of the policy or plan or a similar
- 5 policy or plan; or
- 6 (4) other information or data requested by the director.

7 (c) A filing required under this section shall be made at least 75 days before

8 the intended effective date of the subscription rate, rating factor, fee, or payment and

9 is subject to the approval of the Alaska Health Commission. Within 45 days after a

10 filing under this section, the director shall review the filing and make a written

11 recommendation to the Alaska Health Commission as to whether the commission

12 should approve or disapprove the filing. This recommendation is not an order of the

13 director and is not appealable under AS 21.06.230.

14 (d) If a subscriber contract to be issued by the service corporation provides for

15 indemnity benefits and is permitted under this chapter, the service corporation shall

16 include in the rate, fee, or payment required of the subscriber an adequate additional

17 charge for the indemnity benefit, and shall separately set out the amount of the

18 additional charge in the filing required by this section and AS 44.19.629.

19 * Sec. 12. AS 21.87 is amended by adding a new section to read:

20 Sec. 21.87.285. RISK SHARING AND PURCHASING POOLS. After

21 consulting with and considering any reports or recommendations of the Alaska Health

22 Commission, the director shall adopt regulations to allow for the creation of pools,

23 including pools for the primary benefit of children, for the purpose of sharing risks or

24 purchasing insurance under this chapter.

25 * Sec. 13. AS 36.30.015 is amended by adding a new subsection to read:

26 (h) The Alaska Health Commission shall adopt regulations to manage the

27 procurement of supplies, services, and professional services necessary for its operations

28 under AS 44.19.619 - 44.19.639. The regulations must be based on principles of

29 competitive procurement, consistent with this chapter, to satisfy the requirements of

30 the Alaska Health Commission as determined by that commission.

31 * Sec. 14. AS 36.30.990(1) is amended to read:

1 (1) "agency"

2 (A) means a department, institution, board, commission,
3 division, authority, public corporation, the Alaska Pioneers' Home, or other
4 administrative unit of the executive branch of state government;

5 (B) does not include

6 (i) the University of Alaska;

7 (ii) the Alaska Railroad Corporation;

8 (iii) the Alaska Housing Finance Corporation;

9 (iv) a regional Native housing authority created under
10 AS 18.55.996 or a regional electrical authority created under
11 AS 18.57.020;

12 (v) the Department of Transportation and Public
13 Facilities, in regard to the repair, maintenance, and reconstruction of
14 vessels, docking facilities, and passenger and vehicle transfer facilities
15 of the Alaska marine highway system;

16 (vi) the Alaska Aerospace Development Corporation;

17 (vii) the Alaska State Pension Investment Board;

18 (viii) the Alaska Health Commission;

19 * Sec. 15. AS 39.25.110(11) is amended to read:

20 (11) the officers and employees of the following boards, commissions,
21 and authorities:

22 (A) Alaska Gas Pipeline Financing Authority;

23 (B) Alaska Permanent Fund Corporation;

24 (C) Alaska Industrial Development and Export Authority;

25 (D) Alaska Commercial Fisheries Entry Commission;

26 (E) Alaska Commission on Postsecondary Education;

27 (F) Alaska Aerospace Development Corporation;

28 (G) Alaska Health Commission;

29 * Sec. 16. AS 44.19 is amended by adding new sections to read:

30 ARTICLE 12. ALASKA HEALTH COMMISSION.

31 Sec. 44.19.619. CREATION OF COMMISSION. The Alaska Health

1 Commission is created in the Office of the Governor.

2 Sec. 44.19.621. PURPOSE OF COMMISSION. The purpose of the
3 commission is to improve health care in this state by

4 (1) establishing and implementing a system for collecting and analyzing
5 information and data relating to the individual and public health care needs of and
6 services provided to residents of the state;

7 (2) promoting the use of electronic data transfer and the implementation
8 of uniform procedures for billing, payment, and claim systems;

9 (3) promoting consumer confidence in the health care system through
10 approval of rate filings by health insurers and disclosure of charges by health care
11 providers;

12 (4) promoting the creation of pools, including pools for the primary
13 benefit of children, for the purpose of sharing risks or purchasing insurance for health
14 care services; and

15 (5) analyzing health care reform proposals, including a proposal that
16 is based on a single payor system; recommending health care reform proposals to the
17 governor and the legislature; and reporting to and making recommendations to the
18 governor and legislature on the following:

19 (A) defining a range of potential benefit packages for universal
20 health care coverage for residents of the state; a benefit package must include
21 coverage for health care services without containing an exclusion based on a
22 preexisting condition;

23 (B) determining the needs and requirements imposed on the
24 state by federal enactments that affect health care reform; the commission shall
25 make the determination required under this subparagraph within 60 days after
26 each measure is enacted into law;

27 (C) determining the prospective costs for recommended
28 comprehensive health care reform proposals, as requested by the governor or
29 as determined by a majority vote of the commission;

30 (D) determining financing plans for recommended proposals;

31 (E) describing administrative structures necessary to implement

1 recommended proposals;

2 (F) identifying a process to implement statewide expenditure
3 measures for health care goods and services;

4 (G) investigating health care standards of practice and
5 determining their effect on medical tort liability and other aspects of health care
6 delivery; and

7 (H) investigating alternatives to existing hospital licensing
8 requirements to allow for less use of acute care facilities.

9 Sec. 44.19.622. COMPOSITION; QUALIFICATIONS; TERMS; REMOVAL;
10 DESIGNATION OF CHAIR. (a) The commission consists of three members
11 appointed by the governor and confirmed by the legislature for six-year terms. Not
12 more than one member of the commission may be

13 (1) a health care provider; or

14 (2) employed by a health insurance company.

15 (b) A commission member may serve only one six-year term plus the
16 remainder of any unexpired term to which the member was appointed.

17 (c) The governor may remove a member of the commission only for cause.

18 (d) The governor shall designate a member of the commission to serve, at the
19 pleasure of the governor, as chair of the commission for a term of two years. The
20 governor may reappoint the same member for additional terms as chair.

21 (e) A commission member shall comply with the applicable requirements of
22 AS 39.50, and must be a state resident throughout the person's term as a member of
23 the commission.

24 Sec. 44.19.623. STAFF. The commission may employ staff as necessary to
25 carry out the purposes of this chapter. The staff of the commission is in the exempt
26 service.

27 Sec. 44.19.624. COMPENSATION. Members of the commission are in the
28 exempt service and are entitled to a monthly salary equal to Step C, Range 26, of the
29 salary schedule set out in AS 39.27.011(a) for Anchorage, Alaska. Subject to the
30 availability of appropriations, the chair may be paid at a higher step in the same range,
31 if approved by the governor.

1 Sec. 44.19.625. MEETINGS. (a) The commission shall meet publicly not less
2 than quarterly to accomplish its duties under AS 44.19.619 - 44.19.639. The
3 commission shall comply with AS 44.62.310 - 44.62.312.

4 (b) Two members of the commission constitute a quorum for the transaction
5 of business and the exercise of the powers and duties of the commission.

6 Sec. 44.19.626. POWERS AND DUTIES. (a) The commission may

7 (1) enter into contracts and execute instruments necessary for carrying
8 out its business;

9 (2) establish advisory committees to the commission to conduct
10 research or investigation and report back to the commission on findings; an advisory
11 committee must consist of at least one member of the commission and may include
12 other individuals with appropriate expertise appointed by the commission;

13 (3) adopt regulations necessary to interpret or implement
14 AS 44.19.619 - 44.19.639, including regulations establishing reasonable, necessary fees
15 for services provided by the commission.

16 (b) The commission shall

17 (1) conduct public meetings in accordance with AS 44.19.625,
18 including holding public hearings as necessary;

19 (2) collect and analyze data and information from public, private or
20 other sources relating to the cost, delivery, or financing of health care services
21 provided to state residents;

22 (3) monitor the costs of and the access to health care services to state
23 residents;

24 (4) make reports and recommendations to the governor and legislature
25 in accordance with AS 44.19.619 - 44.19.639;

26 (5) review and either approve or disapprove filings of rates, rate factors,
27 and subscriber and enrollee fees as provided in AS 44.19.629;

28 (6) establish a public health advisory committee that

29 (A) consists of at least one member of the commission and
30 other individuals with significant public health expertise appointed by the
31 commission; the commission shall consider public and private health care

1 professionals, labor organizations, businesses, the education system, the Alaska
2 Public Health Association, the Alaska Mental Health Board, and the Alaska
3 Native Health Board for service on the public health advisory committee, as
4 well as recognizing the need for geographic, ethnic, and cultural diversity;

5 (B) advises the commission on public health matters and the
6 integration of public health services under AS 44.19.621;

7 (C) develops a public health improvement plan as described
8 under (c) of this section;

9 (7) obtain waivers from federal agencies or under applicable federal law
10 to the extent necessary to maximize the collection and analysis of health care data.

11 (c) The plan developed by the committee under (b)(6) of this section may

12 (1) recognize the need for

13 (A) community involvement in health care planning and
14 delivery;

15 (B) attention to local needs that may vary from place to place;

16 (C) accountability for the use of public funds;

17 (D) equity and stability in the distribution of public funds;

18 (E) shared responsibility of all levels of government for
19 administering and financing public health care delivery; and

20 (F) coordination of basic public health services; and

21 (2) include

22 (A) an analysis of the health status of the residents of the state;

23 (B) an assessment of the most appropriate role for various levels
24 of government to play in addressing the health care needs of the residents of
25 the state;

26 (C) a delineation of the standards that should be used in
27 performing assessment, policy development, and quality assurance in the
28 delivery of public health services;

29 (D) documentation of the extent to which the current public
30 health system implements or achieves the standards identified under (C) of this
31 paragraph;

1 (E) identification of interjurisdictional issues involved in health
2 care access and delivery;

3 (F) recommendations, including recommendations for specific
4 legislative action when necessary, pertaining to the following:

5 (i) strategies, time lines, financial needs, and specific
6 sources of stable revenue for bringing the state public health care
7 system up to standards identified by the committee;

8 (ii) appropriate sharing of the responsibility of local,
9 regional, state, and federal government entities to deliver public health
10 care services efficiently and effectively, including recommendations for
11 organization within state government;

12 (iii) integration of the public health care system with
13 state and national health care reform efforts;

14 (iv) the committee's estimate of the optimal share that
15 public health should represent in the total health care delivery system
16 of the state, expressed in terms of a percentage of health care dollars
17 spent or in terms of public dollars per state resident.

18 Sec. 44.19.627. DUTY TO REPORT. At the request of the governor, the
19 commission shall compile and issue to the governor, the legislature, and the public a
20 report concerning its activities.

21 Sec. 44.19.628. UNIFORM DATA AND PROCEDURES FOR HEALTH
22 CLAIMS. (a) The director of the division of insurance, after considering the advice
23 of the commission, shall adopt by regulation uniform claims forms, uniform standards,
24 and uniform procedures for the processing of data relating to billing for and payment
25 of health care services provided to state residents. All health insurers shall comply
26 with the uniform claims forms, standards, and procedures established under this
27 section.

28 (b) To the extent that there is a conflict or inconsistency between a provision
29 of AS 21 that applies to a health insurer and a provision of a regulation adopted under
30 (a) of this section, the regulation governs. The director of the division of insurance
31 shall ensure that regulations adopted by the director under AS 21 that apply to a health

1 insurer are not in conflict or inconsistent with regulations adopted under (a) of this
2 section.

3 Sec. 44.19.629. REVIEW AND APPROVAL OF RATES AND CHARGES.

4 (a) The commission shall review a rate filing and the recommendation of the division
5 of insurance made under AS 21.51.350, AS 21.86.075, or AS 21.87.190. In reviewing
6 a filing, the commission

7 (1) shall collect and analyze information and data from the health
8 insurer that made the filing;

9 (2) may use any information or data collected under AS 44.19.619 -
10 44.19.629; and

11 (3) shall hold a public hearing for comment on the filing and for
12 verifying the basis for the filing.

13 (b) After the commission completes the requirements of (a) of this section, the
14 commission shall issue a decision on the filing. The commission may approve or
15 disapprove a filing reviewed under this section. If the commission fails to issue a
16 decision within 75 days after the filing was made, the filing is considered to be
17 approved by the commission under this section.

18 Sec. 44.19.630. APPEALS OF COMMISSION DECISIONS. A health insurer
19 aggrieved by a decision of the commission under AS 44.19.629 concerning that
20 insurer's filing may appeal the decision to the superior court.

21 Sec. 44.19.631. DISCLOSURE OF INFORMATION; PENALTY. (a) A
22 person providing or insuring health care services in the state shall provide, upon
23 request or order of the commission, reports, data, health information, insurance
24 schedules, statistics, and other information, as determined necessary by the
25 commission, by regulation, to carry out the purposes of AS 44.19.619 - 44.19.639.
26 This subsection applies to the state and to a municipality; as well as to public and
27 private health care facilities and providers, and health care insurers and self-insurers.

28 (b) Information and data obtained or produced by the commission is subject
29 to AS 09.25.110 and 09.25.120 and regulations adopted under AS 09.25.110 and
30 09.25.120. Information or data that identifies a recipient of health care services is
31 considered to be a medical and related public health record that is subject to the

1 exception to public inspection under AS 09.25.120 and shall be kept confidential.

2 (c) A member, an employee, or an agent of the commission, or a member of
3 an advisory committee to the commission, who wrongfully discloses or who uses or
4 permits the use of confidential information or data in violation of (b) of this section
5 is guilty of a class B misdemeanor.

6 Sec. 44.19.632. IMMUNITY FROM LIABILITY. Members of the
7 commission, its employees, its agents, its advisory committee members, and persons
8 providing information and data to the commission as required under AS 44.19.619 -
9 44.19.639 are not liable for civil damages for an act or omission in the execution of
10 their authorized activities or duties under AS 44.19.619 - 44.19.639. This section does
11 not preclude liability for civil damages as a result of reckless or intentional
12 misconduct.

13 Sec. 44.19.633. OATHS; SUBPOENAS. (a) The commission may administer
14 oaths and may issue subpoenas to persons to require testimony or to require the
15 production of records, information, or data under AS 44.19.629 or 44.19.631.

16 (b) If a person disobeys or resists a lawful subpoena issued by the commission,
17 the commission may certify the facts to the superior court, and upon certification the
18 court shall issue an order directing the person to appear before the court and show
19 cause why the person should not be punished for contempt.

20 Sec. 44.19.634. APPROPRIATIONS. The legislature may appropriate a
21 portion of the proceeds of the tax on insurance premiums collected under
22 AS 21.09.210 to the Alaska Health Commission for the commission's operating costs.

23 Sec. 44.19.635. DISCLOSURE OF PROVIDER CHARGES; FINE FOR
24 NONDISCLOSURE. (a) At least annually, a provider shall compile a list of charges
25 for the 20 health care services most commonly provided by that provider. Charges for
26 hospital services may be prepared on the basis of diagnosis-related groups. Upon
27 request of a person who is considering obtaining services from a provider, the provider
28 shall provide the list of charges to the person for use in comparing charges among
29 providers.

30 (b) Upon the request of a patient and before the commencement of a medical
31 procedure, the provider shall disclose to that patient the estimated charge for the

1 procedure. The estimated charge shall be made in good faith and must be based on
2 the provider's history of charges for that procedure. Nothing in this subsection
3 requires a provider to make a charge estimate if the provider does not agree to perform
4 the procedure.

5 (c) A provider shall place the following statement either on a form to be
6 signed by the patient or in a conspicuous location on an easily readable sign: "You
7 are entitled to a charge estimate for a medical procedure before the procedure is
8 performed by your health provider."

9 (d) If the commission, after investigation of a complaint by a patient,
10 determines that a provider has not complied with this section, the commission may
11 impose a fine of up to \$1,000 against the provider. The commission may impose only
12 one fine under this section against a provider in a calendar year. A provider's
13 violation of this section does not preclude the provider from collecting payment for
14 services provided.

15 (e) A provider aggrieved by a decision of the commission under this section
16 may appeal the decision to the superior court.

17 Sec. 44.19.639. DEFINITIONS. In AS 44.19.619 - 44.19.639, unless the
18 context requires otherwise,

19 (1) "commission" means the Alaska Health Commission;

20 (2) "division of insurance" means the division of insurance in the
21 Department of Commerce and Economic Development;

22 (3) "health care services" has the meaning given in AS 21.86.900;

23 (4) "health information" means all information and data relating to
24 access to or delivery or financing of health care services;

25 (5) "health insurance" has the meaning given "disability insurance" in
26 AS 21.12.050;

27 (6) "health insurer" means an entity transacting the business of health
28 insurance, a health maintenance organization under AS 21.86, a hospital service
29 corporation under AS 21.87, a medical service corporation under AS 21.87, or a
30 combined medical service and hospital service corporation under AS 21.87;

31 (7) "pool" means a mechanism to facilitate or provide for sharing risks

1 or the purchase of health insurance in the event coverage is unavailable or
2 unobtainable;

3 (8) "provider" has the meaning given in AS 21.86.900;

4 (9) "single payor system" means a method of financing health care
5 services in a manner that provides every resident a minimum set of uniform benefits
6 and that requires payment for services be made through a single entity.

7 * Sec. 17. AS 44.62.310(d) is amended to read:

8 (d) This section does not apply to

9 (1) judicial or quasi-judicial bodies when holding a meeting solely to
10 make a decision in an adjudicatory proceeding;

11 (2) juries;

12 (3) parole or pardon boards;

13 (4) meetings of a hospital medical staff; or

14 (5) meetings of the governing body or any committee of a hospital
15 when holding a meeting solely to act upon matters of professional qualifications,
16 privileges or discipline; or

17 (6) meetings of the Alaska Health Commission, except for meetings
18 concerning the adoption of regulations or actions on filings under AS 44.19.629.

19 * Sec. 18. AS 44.66.010(a) is amended by adding a new paragraph to read:

20 (20) Alaska Health Commission (AS 44.19.619) -- June 30, 1999.

21 * Sec. 19. AS 09.55.560(2), 09.55.560(3); AS 21.86.070(e), and 21.86.070(f) are repealed.

22 * Sec. 20. Alaska Rule of Civil Procedure 72.1 is repealed.

23 * Sec. 21. APPLICABILITY. Sections 4, 5, and 6 of this Act apply to a cause of action
24 accruing on or after the effective date of this Act.

25 * Sec. 22. INITIAL APPOINTMENT OF COMMISSION MEMBERS. Notwithstanding
26 AS 44.19.622(a), enacted by sec. 16 of this Act, the terms of persons initially appointed to the
27 Alaska Health Commission under AS 44.19.622 shall be staggered as provided in
28 AS 39.05.055.

29 * Sec. 23. REAPPOINTMENT OF INITIAL APPOINTEES. Notwithstanding
30 AS 44.19.622(b), enacted by sec. 16 of this Act, a person initially appointed to the Alaska
31 Health Commission under (a) of this section may be reappointed to serve no more than one

1 six-year term as a member of the Alaska Health Commission.

2 * **Sec. 24. PHASED TRANSITION PERIOD.** (a) Notwithstanding the provisions of
3 AS 44.19.621 - 44.19.639, the Alaska Health Commission shall implement the provisions of
4 AS 44.19.621 - 44.19.639 on a orderly and gradual basis as follows:

5 (1) by January 1, 1996, the commission shall complete the research necessary
6 to report recommendations to the governor and the legislature on the issues described under
7 AS 44.19.621(a)(5)(A), (C), (D), (E), and (G);

8 (2) by July 1, 1996, the commission shall complete the research necessary to
9 report recommendations to the governor and the legislature on the issues described under
10 AS 44.19.621(a)(5)(F) and adopt regulations necessary to implement AS 44.19.628(a);

11 (3) by January 1, 1997, the commission shall complete the research necessary
12 to report recommendations to the governor and the legislature on the issues described under
13 AS 44.19.621(a)(5)(H).

14 (b) Upon request of the commission, and for good cause shown, the governor may
15 grant an extension of a deadline set in (a) of this section. The governor shall inform the
16 legislature of a decision on a request to extend a deadline.

17 * **Sec. 25.** AS 09.55.536(f), amended by sec. 5 of this Act, amends Alaska Rules of Civil
18 Procedure 26 and 27 by providing that discovery may not be undertaken until the expert
19 advisor's report is received.

20 * **Sec. 26.** AS 09.55.536(e), amended by sec. 5 of this Act, amends Alaska Rules of
21 Evidence 802, 803, and 804 by providing that the expert advisor's report is admissible in
22 evidence to the same extent as though its contents were orally testified to by the advisor.

23 * **Sec. 27.** Section 20 of this Act takes effect July 1, 1994, only if that section receives the
24 two-thirds majority vote of each house required by art. IV, sec. 15, Constitution of the State
25 of Alaska.

26 * **Sec. 28.** This Act takes effect July 1, 1994.

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Alaska State Legislature
 House of Representatives
 COMMITTEE ON HEALTH, EDUCATION
 AND SOCIAL SERVICES

DATE: 3/16/94

PLACE: Capitol Room 106

SUBJECT OF MEETING:
 HB 414: COMPREHENSIVE HEALTH INSURANCE ACT

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Margaret Morrison	AARP					Y <input checked="" type="radio"/> N	414
Ernest G. Damm	AARP					Y <input checked="" type="radio"/> N	414
Al Reynolds	AARP					Y <input checked="" type="radio"/> N	414
Ed Bangman	JH					Y <input checked="" type="radio"/> N	414
Bruce Case	JH					Y <input checked="" type="radio"/> N	414
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

H/HESS ROLL CALL FORM

BILL HB 414 DATE 3/16/94
 TAPE 94-57B NUMBER 576
 SUBJECT OF VOTE TO ADOPT AMENDMENT # 10

MEMBER	YEA	NAY	ABS
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	—	✓	—
Rep. Al Vezey	—	✓	—
Rep. Pete Kott	✓	—	—
Rep. Harley Olberg	—	—	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	✓	—	—
TOTAL	<u>3</u>	<u>4</u>	—

+++++

BILL HB 414 DATE 3/16/94
 TAPE 94-53A NUMBER 487
 SUBJECT OF VOTE TO ADOPT AMENDMENT # 11

MEMBER	YEA	NAY	ABS
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	—	✓	—
Rep. Al Vezey	—	—	—
Rep. Pete Kott	—	—	—
Rep. Harley Olberg	✓	—	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	✓	—	—
Rep. Cynthia Toohey	—	✓	—
TOTAL	<u>3</u>	<u>3</u>	—